

REVISED

VERMONT STATE WIA PLAN

**TWO YEARS OF THE STRATEGIC FIVE YEAR STATE PLAN
FOR
TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998
&
THE WAGNER PEYSER ACT**

July 1, 2005 - June 30, 2007

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Letter from the Governor | 3 |
| I State Vision | 4 |
| II Key Workforce Priorities | 7 |
| III State Governance Structure | 8 |
| IV Economic & Labor Market Analysis | 15 |
| V Overarching State Strategies | 34 |
| VI Major State Policies & Requirements | 38 |
| VII Integration of 1-Stop Service Delivery | 39 |
| VIII Administration & Oversight of Local System | 40 |
| IX Service Delivery | 46 |
| X State Administration | 61 |
| XI Assurances | 63 |
| Single State Area Guidance Requirements | 68 |
| <u>Attachments</u> | |
| I Workforce System Organizational Chart | 69 |
| II HRIC Membership | 70 |
| III State Ethics/Conflict of Interest Guidance | 72 |
| IV Grievance Procedures | 79 |

Assistant Secretary Emily DeRocco
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave.
Washington, DC 20210

Dear Assistant Secretary DeRocco:

Please accept Vermont's state plan for Title 1 of the Workforce Investment Act and the Wagner-Peyser Act.

In our fast moving, technologically oriented economy, economic viability rests upon business sector ingenuity and a skilled workforce.

To succeed, Vermont and the nation must be vigilant in assuring appropriate education and training is available for all youth preparing to enter the workforce, including those most at risk, and for all adults who will need skill upgrades over their working life.

However, a skilled workforce can only be assured through the development and implementation of a coherent, effective and demand driven workforce education and training system that is responsive to today's ever changing workplace.

This State Plan aligns with my vision for job creation and economic advancement and establishes a practical strategy to help meet the employment and training needs of employers, workers, and job seekers. This in turn will stimulate productivity and competitiveness, and produce quality jobs for Vermonters.

Sincerely,
SIGNED (original sent under separate cover)

James H. Douglas
Governor

I. STATE VISION

In January 2004, Governor Douglas issued his *Strategic Vision and Business Plan for Job Creation and Economic Advancement*. In it the Governor stated:

"Our State is growing stronger and our economy is improving. But for those Vermonters who still struggle to find work the recession continues and to them I pledge my continued resolve. I will not be satisfied until every Vermonter who wants a job has a job."

The Governor's key priority is job creation and his strategic vision for workforce development is demand driven. It addresses both long and short-term challenges, including strong outreach to employers, and focuses on three strategies: retention, recruitment and entrepreneurship, around which the resources of the state are to be invested. In order to create a foundation for job creation and economic growth, the governor has outlined six strategic goals:

- Increase the number and diversity of job opportunities available to Vermonters to cushion the economy from the impact of the unavoidable closure of one or more large employers or the demise of a key industry.
- Improve the standard of living and quality of life for all Vermonters by increasing and improving the job opportunities available.
- Build resources through a stronger economy that will support environmental protection, education, and cultural and social growth through strategic investments in programs.
- Achieve geographic diversity in the employment base to spread higher quality jobs across the State and alleviate pressure on transportation resources.
- Develop our educational, training, and technological infrastructures to compete in the knowledge based economy. In the short-term, we will put resources into an aggressive retention and recruitment campaign with the goal of increasing median incomes of working Vermonters.
- Access and adapt our strategies based upon a vigorous pursuit of information and forecasting on emerging economic trends looking out three, five, ten years and beyond.

How will Vermont reach these goals? Part of the answer lies in Vermont's vision for maximizing and leveraging federal and state resources available for workforce investment. To accomplish this, the Governor's vision includes:

- Expanding support of entrepreneurial business activity to leverage research and development in partnership with higher education and engage our youth by fostering a spirit of innovation to build strong Vermont-based businesses.
- Developing and maintaining a dynamic partnership with higher education that helps direct curriculum and job training in a direction consistent with the priorities of economic development so that we have a ready supply of workers to support the industries we are retaining, growing and recruiting.
- Focusing recruitment activity on knowledge-based industries that leverage existing R&D and innovation resources and encourage development of new resources.
- Maximizing the coordination, collaboration, and cooperation of state workforce agencies and educational entities through merging agencies where appropriate, facilitating across agency partnerships (including K-12 and higher education), and establishing other coordinating activities (see below).
- Maximizing data management and the use of labor market information so all Vermonters will have access to career and occupational information and all employers will have access to information relevant to helping their businesses plan and prosper.
- Focusing on strong outreach to employers to better understand their current and future workforce needs.
- Enhancing the public workforce system to maximize its effectiveness for employers and job seekers.

Through the Governor's strategic vision for economic and workforce development there is a clear recognition that identifying workforce challenges and bringing key players together to meet those challenges is essential. Central to this effort is the Human Resources Investment Council (the State's workforce investment board) and the Governor's Job Cabinet. These organizations serve to bring together important individuals in workforce development including business and industry, economic development, education and the public workforce system. While the focus of each entity may vary, the goal is the same: to establish a viable, skilled workforce to support a growing economy. For example, the goal of the Human Resources Investment Council is to establish a comprehensive, flexible, coordinated and responsive workforce education and training system; and the primary goal of the Jobs Cabinet, is to maximize and leverage resources across state government and streamline regulatory and other processes that, in the end, will help create or maintain jobs.

Accentuating the need to strongly link workforce development and economic development, a key provision in Vermont statute that created the Workforce Education and Training Fund states that potential projects will receive preference if they:

“...test innovative and collaborative approaches to workforce development and link workforce-education and economic development strategies.”

Focusing on Youth: Increasingly, a college degree is seen as the ticket to a good job and prosperity. As a result, more youth than ever are working to obtain post-secondary training at the college and university level. The Governor's vision is to ensure those who want to go to college can, and while economizing in most areas of the State budget, the Governor is asking for increases in support for higher education. However, too many young people who cannot or choose not to attend college are being left behind. The Governor recognizes that not all young people are college bound and recognizes that many good jobs in today's economy require only short-term, post-secondary training. For those individuals, access to alternative post-secondary education and training programs is critical. Currently, initiatives to improve the public technical-education system, to support and encourage employer investments in training, to link secondary education with apprenticeship, and to establish a statewide infrastructure to provide career information in K-12 education are underway.

Still, some youth remain at-risk such as those that are high school dropouts, homeless, youth of incarcerated parents, young offenders, youth in or aging out of foster care, youth of migrant seasonal farmworker families, as well as youth with disabilities who have low participation rates in post-secondary education and the labor force. Linking these youth with the public workforce education and training system is imperative to help them make the transition to good, self-sufficient jobs and helping employers fill needed positions. As part of the Governor's current State restructuring initiative, Vermont's workforce education and training system expects to better target sections of the state where at-risk youth services are most in need and ensure that every youth has the opportunity to succeed in today's economy.

II. KEY WORKFORCE INVESTMENT PRIORITIES FOR THE PUBLIC WORKFORCE SYSTEM

The Governor's key workforce investment priorities for Vermont's public workforce system focuses on merging Department of Labor programs (regulatory and employment and training) under one administrative structure, and establishing a new delivery model for providing services to employers, workers and job seekers. These initiatives will complement the Governor's overall focus on job recruitment and retention and will result in needed efficiencies:

Merging DOL Programs

The merger of two departments will improve access for job seekers, workers and employers by providing services under one comprehensive umbrella, including:

- Unemployment insurance,
- Job listings and referrals,
- Labor market, occupational and training information,
- Occupational skills preparation and training,
- Apprenticeship,
- Wage and Hour,
- Worker's Compensation
- Child labor laws, and
- Occupational safety.

A New Service Delivery Model will Provide:

- Improved personal services to employers including a strong outreach initiative, labor market data, incumbent worker training, and links to training providers such as post-secondary institutions, technical centers, vocational rehabilitation, etc.
- Improved services to employers, workers, and job seekers in presently under-served communities,
- New self-help technologies for all customers, and
- More intensive services to jobseekers including job development, career and occupational information, and skills training.

Taken together, these priorities will help establish a more responsive public workforce investment system that in turn will be better able to support the Governor's vision of job creation and economic advancement.

III. STATE GOVERNANCE STRUCTURE

Organizational Chart (see Attachment I)

State Workforce Investment Board

The Human Resources Investment Council (HRIC) was originally established in State law in 1993. The mission of the Council is to advise the Governor on the development and implementation of a comprehensive, flexible and responsive workforce education and training program for the State. The purpose of this system is two-fold; to prepare Vermonters for good jobs, and to provide Vermont employers with a competitive advantage in the changing world economy, thereby linking workforce and economic development.

In 1999, the HRIC was restructured to meet the membership requirements of the Workforce Investment Act. Vermont had the option of being grandfathered as a pre-existing board, however there was wide agreement that a business majority board that fully complied with the intent of the WIA would best serve the State's interest. Vermont is a single service delivery area under the Act. Therefore, the HRIC serves as both the State and Local Board under the Act, and has a membership that meets the requirements of both boards. This structure has been approved by the Employment and Training Administration. The Chair is a business member appointed by the Governor, and the Council appoints the staff.

The HRIC business members represent all sectors of the economy and all geographic regions. In addition, Council membership includes top officials from public education, higher education, agencies that provide employment and training services, organized labor, the low-income community, and representatives of the Vermont Senate and House.

The Vermont HRIC was the first State in the Nation to receive approval of a State Unified Plan under the Workforce Investment Act

Membership: includes all the members required under section 111(b)(1). (see Attachment II)

Board Appointments: State WIB members are appointed in several ways. The top leaders of the State administrative agencies that are specified as WIA partners serve by virtue of the positions they hold. These are commissioners and secretaries who are appointed by the Governor. Other WIA specified partners such as the Chancellor of the community college system, the Director of the Northlands Job Corps Center, the Director of Vermont Associates for Training

and Development (Older Worker Programs) serve by virtue of the positions they hold in these organizations. The Labor members are recommended by labor organizations and appointed by the Governor for terms of three years. The Legislative members are appointed by the Speaker of the House and the President of the Senate, and serve for the two-year term of the Legislative session. There are also several additional members that are not required under the Act, but that are specified in the Governor's Executive Order that establishes the Council. These include a Low Income Representative, appointed by the Governor for a three year term, and the President of the University of Vermont, who serves by virtue of his or her position. The private sector members are all appointed by the Governor from names submitted by business and trade organizations. Candidates for these positions are solicited annually by the Executive Director and the Chair from the State Chamber of Commerce, the Vermont Business Roundtable, the Associated General Contractors, and other trade associations and from recommendations from the local Workforce Boards. These individuals are CEO's or operating officers of a business, or are individuals who have optimum policy making authority or hiring authority. In addition, these individuals are selected to represent the major employment sectors of the State's economy and the State's geographic regions. These individuals serve for staggered three-year terms and are equal in number to the public sector members plus one, to constitute a majority. The Governor appoints the Chair from among these business members.

The Vision of the HRIC:

Vermont provides lifelong learning opportunities resulting in good jobs for individuals and a competitive advantage for Vermont employers in a dynamic world economy.

A State vision requires a comprehensive approach, which includes private sector employers, the State's education, workforce development, and social service programs, and which responds to the needs of the State's employers and workers. The Vermont HRIC is structured to accomplish this by including all interested parties in regular meetings, e-mail updates, and participation in the development of multi-year strategic workforce development plans. In addition to membership participation, the Council maintains a contact list of several hundred interested individuals who receive meeting agendas, Council reports, and invitations to attend and offer direct input at the Council's meetings.

State Plan: The Council both oversees and participates in the development of the WIA State Plan. In a three part process, the Council 1) sets overall workforce policy direction and priorities, 2) reviews and approves or modifies a draft State Plan developed by the Department of Employment and Training, and 3) develops selected parts of the State Plan.

In addition to activities required in the Act, the Council, under State law, has responsibility for coordination and oversight of a range of State funded workforce initiatives including Adult Education and State training programs for business. In addition, the Council works with the State Board of Education on policies for State funded secondary vocational education programs. In recent years, the Council has brought additional focus to the needs of employers by conducting demand-side studies of employer workforce skill needs in areas like Information Technology and skill gaps in the State's Healthcare workforce. These studies have resulted in specific recommendations for changes in the delivery of workforce preparation programs.

Public Access: All of the Council's meetings and events are warned as public meetings, and agendas are distributed in advance by e-mail directly to all individuals who request them. This list numbers close to 200 individuals. In addition, all minutes of Council and Executive Committee meetings are posted on the HRIC Website. All meetings and events are held in facilities that meet ADA requirements. Meeting agendas and advance materials are made available through e-mail in formats that permit visual enlargement or audio/voice transcription. The HRIC has made the needs of Vermonters with disabilities a priority. In addition to the Secretary of the Agency of Human Services (the State agency that includes the Department of Vocational Rehabilitation) the HRIC consults with the Department of Vocational Rehabilitation to identify business members who have disabilities and who can represent the needs and interests of this population on the Council. The Council is also an active partner in a US DOL funded intermediary project designed to address the transition needs of youth with disabilities. This includes taking a leadership role in the establishment of a Peer Learning Network that supports and advances the work of professionals in intermediary organizations across the State to improve services and professional practices statewide.

State Conflict of Interest Policy: Since there are a variety of circumstances which would constitute a conflict of interest while serving as a Council member, Council members are subject to and must sign the Governor's Executive Order 10-03, Executive Code of Ethics. (see Attachment III)

State Resources: The State provides approximately \$150,000 annually to support non-federally recognized local workforce boards that function as local

extensions of the HRIC and provide the Council with information on the needs of local businesses, encourage collaboration among local program providers, and review and approve grant applications for State funded training programs. In addition, although not in direct support of the board, the State provides annual funding of approximately \$350,000 to the Workforce Education and Training Fund, which is administered by DET in collaboration with the HRIC. This fund is used to train new and incumbent workers through business/education partnerships.

Structure and Process for Collaboration

The HRIC has several means for establishing communication and collaboration among its member organizations and with sub-regions of the State. The Council regards these communication links, and the building of consensus for action, as its most important tasks. Since the implementation of the WIA in Vermont, the Council has published two State Strategic Workforce Development Plans. The process of developing these plans is one that draws on input from local and state levels of government, businesses and all State agencies involved in workforce preparation. The first was published in 2000, and the second in 2003. These plans are comprehensive documents that cover WIA funded programs, agencies and institutions, and also, State funded workforce development programs. The plans set four strategic goals and include action items that describe the coordinated contributions of each partner.

Improving Operational Cooperation: Under the State Unified Plan, the HRIC maintains a single comprehensive MOU that describes the roles and responsibilities of all the required partners and which is signed by all partners, and approved by the ETA. Collaboration and coordination of services is also advanced through the Council's Sectoral Workforce Plans, which identify the needs of particular sub-sets of employers such as Healthcare or jobs requiring Information Technology skills. These Sectoral Plans outline the needs of employers and recommend changes to the programs and services of member agencies that will better serve these needs. These recommendations are negotiated with the effected providers and the Council monitors implementation. Beginning in 2005, the Council, through a partnership between the Department of Employment and Training, the State Agency of Human Services, and the Community College of Vermont, will begin implementation of Outcome/Logic Model training for front line staff throughout the State. This training will focus on collaborative projects among agencies and with the private sector that improves the delivery of workforce education and training services.

Beyond the MOU's that describe the roles of the various WIA partners, lies implementation that is always a significant challenge. The Council has identified collaboration among the WIA partners and others at the local level as an important challenge. Unless the various agencies and institutions are working together effectively the system will not produce optimum results. The individual performance of the various federal workforce education and training programs in Vermont has generally been quite good when compared to other States. Our challenge has been to realize the additional performance and results that can be achieved by engaging in effective collaboration. Successful collaboration among local providers is more than a matter of intention. It also requires a set of skills that in most cases have not been required of these individuals. Expertise in providing career counseling, or making eligibility determinations or job placements is a different skill-set than engaging in collaborative projects with partner agencies, and it is a skill-set which we often find lacking in front line staff. Training staff in the Logic Model is a good solution to this challenge. First, the Logic Model is built upon a common set of clearly defined terms such as "Outcome" and "Output" and "Activity". These terms describe parts of a project planning and implementation model that focuses on measurable mutually agreed upon results. Our experience over the past couple of years indicates that communities that have the skills to use a model like this are the better performing regions. The Logic Model has been used for several years by the Vermont Agency of Human Services to address social indicators such as teen pregnancy with good results. This provides us with an "installed base" of partners in local communities that are conversant with the benefits of this model, upon which we can build. One of the benefits of this approach is that it forces local program staff to consider addressing important challenges like meeting the workforce needs of a growing industry, or the needs of workers in a mass lay-off, that cannot be adequately addressed by a single agency, and which require multiple partners including state agencies, and educational institutions or Chambers of Commerce, etc.

Lines of Communication: All State agencies with responsibility for workforce education and training are members of the Council and work together through the Council's full board meetings and committees, and independently on identified workforce issues. The Council has an Executive Committee with membership open to all interested members. This Committee meets monthly and directs the day to day operations of the Council. The full Council meets three times a year and discusses workforce issues facing the State, decides on major policy directions, and approves agency plans.

Communication and Federal Guidance: Vermont is a single service delivery area under the WIA, so the HRIC serves as both the State and Local WIB under the Act. Communication between the Council and its member agencies is conducted in person at our regular meetings or through hard copy and e-mail of Council agendas, meeting minutes, and draft policy documents.

State Level Youth Organizations: In addition to the HRIC, which includes representatives of social services, juvenile justice, and education (see the attached membership list), the Council has a Council on Youth that includes representatives at the mid-management and program director levels from the above organizations as well as representatives of local non-profit organizations. Notwithstanding this participation and collaboration, addressing the comprehensive needs of youth remains a challenge. The State's public education system, which serves 108,000 youth (k-12) with a budget of approximately one billion dollars a year, represents the public's greatest investment in youth. In support of WIA's intent, efforts by the HRIC focus on those youth who are at-risk of leaving the public education system without a diploma and those who have left that system without a diploma. Our strategic approach is to look at the ten youth elements defined in the WIA and focus our resources on areas that are not addressed adequately through other program and funding sources. In recent years these efforts have included leadership, mentorship, and workplace experiences, and we intend to continue working on these priorities.

There are two other state level organizations that address the needs of youth. One, is the State Board of Education, which oversees the public education system. The Commissioner of Education is a member of the HRIC and several State Board of Education board members have close ties to our local workforce investment boards. Recently, the Commissioner of Education served on an HRIC taskforce to define the State's strategy for addressing globalization and worker shortages. The State Board of Education also oversees the Adult Education Funds included under Title II of WIA. After several years of planning and collaboration with the State Board of Education, the distribution of these funds was changed to fund a single statewide organization in place of four regional non-profits that had operated independent programs in the past. This new Statewide contractor has initiated an effort to serve out-of-school youth and has substantially increased their level of service to this group with the goal of assisting them to graduate from high school, or earn a GED. The State board of Education also oversees the Perkins funds, and in partnership with the HRIC has made substantial changes to the funding and governance systems, and has instituted a system of industry skill

standards statewide in an effort to address the concerns of the employer community.

The HRIC has numerous links to the State Board of Education (SBE). The HRIC Executive Director is a former program manager at the Department of Education, and the Commissioner of Education is a member of the HRIC. Over the years, the HRIC has partnered with the SBE on a number of projects, including an initiative to have all of the State's secondary vocational/technical programs adopt industry recognized skill standards, a partnership funded by the National Science Foundation to develop new curriculum for the Information Technology programs, and a joint effort to pass a State Law that provides new governance options for the secondary vocational/technical system.

In addition, the HRIC has endorsed the SBE's "High Schools on the Move" initiative that provides a set of recommendations for reinventing high schools. Recently, the HRIC and the Commissioner of Education have been discussing a competitive grant application to the National Governor's Association that would support some key elements of this initiative.

The WIA funded Career Resource Centers provide some important supplements to the public education system, including youth employment and training programs, career advising services and referrals to local agencies that provide GED and other alternative education options.

The second State level group that addresses youth issues is the State Team for Children and Families. This is a group convened by the Agency of Human Services from among their many programs and working partners. They focus on such youth issues as "All children arrive at school ready to learn", "Youth ... are engaged in their community's decisions and activities", "Children succeed in school", "Youth choose healthy behaviors", and "Youth make a successful transition to adulthood". This group is responsible for managing the complex array of programs within that agency in order to make progress toward these goals. They work directly on issues related to at-risk, disadvantaged, disabled, and adjudicated youth. Again, there is substantial overlap in membership between this group and the HRIC and its Council on Youth that create useful collaborations, partnerships, and opportunities for improvement.

The State Team for Children and Families is a multi-agency task force that includes representatives of the social services agencies at the Agency of Human Services (AHS), the Department of Education, the Department of Employment and Training, and locally based social service agencies. The Secretaries and Commissioners of the agencies and organizations represented on the State Team are also members of the HRIC. Over the past five years this group, which receives

administrative support from AHS, has been working on what they have named the nine "indicators of social well-being". Among these is one that states, "All youth transition successfully to adulthood." This aligns with the work of the HRIC's Council on Youth which uses the youth services described in the WIA to guide the use of WIA youth funds. Because the HRIC has overlapping membership with the State Team, we often partner with member organizations on grant applications designed to address the needs of specific target groups such as youth with disabilities or youthful offenders.

In addition the HRIC supports 12 State-authorized local WIBs that work on multi-agency collaborative approaches to workforce issues at the local level. The State Team maintains a similar network called the Community Partnerships that is organized around social service agencies. These local groups have overlapping membership and often undertake joint projects such as school drop-out prevention, securing jobs and housing for offenders re-entering communities, and other activities that require partnerships between job training programs and social service providers.

IV. ECONOMIC AND LABOR MARKET ANALYSIS

Economic Base

The economic structure of Vermont has evolved from its traditional base of labor intensive activities to the modern high-tech environment associated with semi-conductor production. Manufacturing accounts for 14 percent of the Gross State Product (GSP). The largest sector in manufacturing is Computer and Electronic Products, reflecting the dominance of International Business Machines, Inc. A number of Durable Goods categories, however, are strong in the State and give Vermont a well-diversified manufacturing base.

The State also benefits from its reputation for high quality agricultural products. This has allowed firms to build new markets for specialty food items. Major manufacturing firms produce a wide range of food items and benefit from the State's strategic location near large population centers.

New products and new firms have provided job growth across the State. NSK Steering Systems is a rapidly growing firm that supports automobile manufacturing throughout the country. The company uses production teams to maintain high efficiency in a demanding work environment. Another new and rapidly growing market is the production of snowboards. This facet of the recreation industry emerged from the innovation of Burton Snowboards and surged in popularity following the media intensive coverage of the 2004 Olympics.

Overall, manufacturing accounts for 12 percent of the jobs in Vermont, down substantially from 5 years ago when it provided 15 percent of the jobs. However, the recession which began in 2001 devastated manufacturing throughout the country, and manufacturing accounts for only 11 percent of the US total nonfarm jobs.

Vermont's rural character is sometimes associated with agricultural activity; however, the latest data shows that only about one percent of the Gross State Product is associated with farming. Dairy farms still dot the landscape but the family farm has been squeezed by rising production costs and an unstable pricing system for milk. The pressure for economic development in the Champlain Valley (near Burlington) has spread to some of the most fertile agricultural areas. Despite the efforts of state and local government to preserve open land, farming is an increasingly inefficient use of natural resources. In some areas of the state the agricultural picture is fading fast, and may fall below the critical mass needed to allow farming to continue.

The picturesque landscape attracts many tourists to Vermont. Resorts promote a four-season vacation environment. According to a recent research report, visitors to the state contributed \$185 million in taxes and fees for the latest year. An estimated 36,000 people are employed directly and indirectly providing services and distributing products to visitors. The industries affected include lodging, recreation, transportation, and various retail industries. These industries also serve the local population and are a very substantial part of the economy. Retail accounts for about 9 percent of GSP. Entertainment and lodging related activities account for about 5 percent of GSP. Transportation accounts for a small share of the State's economy but Vermont is close to large population centers in the Northeast, allowing many people to drive to resorts.

The revival of second home construction and the modest population growth have provided a solid construction market in the State. The latest data shows that construction was responsible for about 4 percent of GSP and a slightly higher percentage of the jobs. Relatively low interest rates have helped the industry prosper and were important in stabilizing the economy during the last recession.

The population of the State has been growing slower than nationally but that is typical of the Northeast. The last Census indicated a growth rate of about 8 percent during the 1990s, about 5 percentage points less than nationally. So far in this decade, the population growth rate is about half the national rate. Vermont has a slightly higher concentration of people 65 years old and over. These demographics influence the economic structure of the state. One of the fastest growing sectors of the economy has been health care and social assistance, which

accounts for about 9 percent of *GSP*. The aging of the population has prompted a significant increase in health-related services and jobs. Since the start of 2000, the number of health related jobs have increased by more than 20 percent, one of the highest growth rates of any sector.

Real Estate is responsible for almost 13 percent of *GSP*, and when combined with other financial services, the figure is almost 20 percent. However, the sector accounts for only about 4 percent of the jobs in the state. Overall, the private sector is well diversified in Vermont and provides a wide range of opportunities for business development and job growth. In addition, government services are responsible for 13 percent of *GSP* and about 17 percent of employment (including state and local education).

Projected Industries and Occupations

During the two years covered by the WIA Strategic Plan, modest job growth is expected to produce a slightly lower unemployment rate. Some recovery is expected in manufacturing but the devastation of the 2001 recession will take a long time to repair. In the short run, computer related manufacturing will experience modest improvement, along with transportation equipment. Plastics molding equipment manufacturing has shown resilience and will likely add jobs in the future. In nondurable goods, food processing will likely add jobs along with various types of plastics manufacturing. The outlook for construction depends on interest rates, which have increased only slightly since the recovery began. If monetary policy remains accommodative, interest rate increases will remain modest and the construction sector will stay healthy.

Demographics point to continuing increases in health care employment, despite efforts at cost containment. Social services employment is a closely related activity that will also continue to grow. Vermont will remain an attractive destination for vacations prompting the tourism sector to grow modestly.

Wholesale trade employment will decline modestly as a major firm consolidates administrative functions in New Hampshire.

The following table shows the strongest occupations in the next two years:

*RANKING OF OCCUPATIONS WITH HIGHEST
PROJECTED OPENINGS IN VERMONT THROUGH 2006*

| <u>Occupational Title</u> | <u>Percent of Openings</u> |
|--|----------------------------|
| Cashiers | 6.5% |
| Retail Salespersons | 3.9% |
| Waiters and Waitresses | 3.3% |
| Child Care Workers | 2.4% |
| Registered Nurses | 2.2% |
| Combined Food Preparation and Serving Workers | 2.0% |
| Teacher Assistants | 1.8% |
| Food Preparation Workers | 1.4% |
| Stock Clerks and Order Fillers | 1.4% |
| Janitors and Cleaners, Except Maids and Housekeeping | 1.4% |
| Social and Human Service Assistants | 1.3% |
| Teachers, Primary, Secondary, and Adult, All Other | 1.3% |
| Sales Rep, Wholesale and Mfg, Except Technical | 1.2% |
| Bookkeeping, Accounting, and Auditing Clerks | 1.2% |
| Carpenters | 1.2% |
| Truck Drivers, Heavy and Tractor-Trailer | 1.2% |
| Office Clerks, General | 1.2% |
| Receptionists and Information Clerks | 1.2% |
| Secondary School Teachers, Except Special and Voc Ed | 1.1% |
| Landscaping and Groundskeeping Workers | 1.1% |
| Maids and Housekeeping Cleaners | 1.1% |
| Elementary School Teachers, Except Special Education | 1.1% |
| Counter Attendants, Cafeteria, Food Concession | 1.1% |
| Laborers and Freight, Stock, and Material Movers, Hand | 1.0% |
| Executive Secretaries and Administrative Assistants | 0.9% |
| Automotive Service Technicians and Mechanics | 0.9% |
| Accountants and Auditors | 0.9% |
| Cooks, Restaurant | 0.8% |
| Dishwashers | 0.8% |
| Counter and Rental Clerks | 0.7% |
| Maintenance and Repair Workers, General | 0.7% |

| | |
|---|------|
| Nursing Aides, Orderlies, and Attendants | 0.7% |
| Bartenders | 0.7% |
| Secretaries, Except Legal, Medical, and Executive | 0.7% |
| Personal and Home Care Aides | 0.7% |
| Customer Service Representatives | 0.7% |
| Semiconductor Processors | 0.6% |
| Tellers | 0.6% |
| First-Line Supervisors/Managers of Retail Sales Workers | 0.6% |
| Team Assemblers | 0.6% |
| First-Line Supervisors/Managers of Office and Admin | 0.5% |
| Computer Software Engineers, Applications | 0.5% |
| Home Health Aides | 0.5% |
| General and Operations Managers | 0.5% |
| Truck Drivers, Light or Delivery Services | 0.5% |
| Licensed Practical and Licensed Vocational Nurses | 0.5% |
| Bus Drivers, School | 0.5% |
| Shipping, Receiving, and Traffic Clerks | 0.5% |
| Public Relations Specialists | 0.4% |
| Middle School Teachers, Except Special and Voc Ed | 0.4% |

The long run outlook is less dependent on the cyclical recovery of the economy. Financial services is expected to be one of the leading industries during the next 10 years. The Information super sector will benefit from continued growth of the Internet and the expansion of Internet Service Providers. Repair and maintenance services is one of many service-oriented industries that will continue to grow.

Some segments of manufacturing will experience a full recovery from the latest recession, but the manufacturing total will not return to its year 2000 level. Transportation equipment will experience a modest expansion and primary metals is expected to perform above average. Computer related products, furniture, and machinery manufacturing will, however, lose jobs in the long run.

Demographics will continue to support job growth in educational services and health care. Social services will also continue to expand. Tourism related activities, such as lodging and food service will grow slowly. Administrative support services will remain strong as employers continue to rely on temporary help services to find workers.

Construction employment will fluctuate as consumer demand and interest rates respond to the business cycle.

The fastest growing occupations over the next 10 years

| <u>Job Title</u> | <u>2002 Employment</u> | <u>2012 Employment</u> | <u>Annual Growth</u> | <u>Annual Openings</u> |
|---|----------------------------|----------------------------|--------------------------|----------------------------|
| Medical Assistants | 516 | 780 | 4.2% | 26 |
| Medical Records Technicians | 300 | 437 | 3.8% | 14 |
| Physician Assistants | 249 | 353 | 3.6% | 10 |
| Personal and Home Care Aides | 1,340 | 1,898 | 3.5% | 56 |
| Physical Therapist Assistants | 63 | 87 | 3.3% | 2 |
| Network Systems and Communications Analysts | 380 | 524 | 3.3% | 14 |
| Veterinary Technologists and Technicians | 175 | 241 | 3.3% | 7 |
| Desktop Publishers | 173 | 238 | 3.2% | 7 |
| Home Health Aides | 1,585 | 2,148 | 3.1% | 56 |
| Occupational Therapists | 194 | 262 | 3.1% | 7 |
| Mental Health Social Workers | 334 | 451 | 3.0% | 12 |
| Radiation Therapists | 155 | 209 | 3.0% | 5 |
| Reservation and Transportation Ticket Agents | 307 | 412 | 3.0% | 11 |
| Emergency Medical Technicians and Paramedics | 382 | 509 | 2.9% | 13 |
| Pharmacy Technicians | 385 | 513 | 2.9% | 13 |
| Health Specialties Teachers, Postsecondary | 586 | 780 | 2.9% | 19 |
| Dental Assistants | 591 | 786 | 2.9% | 20 |
| Athletic Trainers | 79 | 105 | 2.9% | 3 |
| Dental Hygienists | 661 | 876 | 2.9% | 22 |
| Social and Human Service Assistants | 2,601 | 3,434 | 2.8% | 83 |
| Medical and Public Health Social Workers | 363 | 477 | 2.8% | 11 |
| Physical Therapists | 704 | 924 | 2.8% | 22 |
| Health Professionals and Technicians, All Other | 109 | 143 | 2.8% | 3 |
| Pharmacists | 448 | 587 | 2.7% | 14 |
| Residential Advisors | 269 | 352 | 2.7% | 8 |
| Preschool Teachers, Except Special Education | 712 | 931 | 2.7% | 22 |

| | | | | |
|--|-------|-------|------|----|
| Computer Software Engineers, Applications | 1,525 | 1,990 | 2.7% | 47 |
| Technical Writers | 279 | 364 | 2.7% | 9 |
| Special Education Teachers, Kindergarten | 613 | 798 | 2.7% | 19 |
| Special Education Teachers, Secondary School | 408 | 530 | 2.7% | 12 |
| Special Education Teachers, Middle School | 242 | 314 | 2.6% | 7 |
| Public Relations Specialists | 1,199 | 1,553 | 2.6% | 35 |
| Self-Enrichment Education Teachers | 234 | 303 | 2.6% | 7 |
| Respiratory Therapists | 170 | 220 | 2.6% | 5 |
| Network and Computer Systems Administrators | 447 | 576 | 2.6% | 13 |
| Nursing Instructors/Teachers, Postsecondary | 52 | 67 | 2.6% | 2 |
| Kindergarten Teachers, Except Special Ed | 346 | 445 | 2.5% | 10 |
| Computer Systems Analysts | 649 | 834 | 2.5% | 19 |
| Personal Financial Advisors | 604 | 774 | 2.5% | 17 |
| Textile Cutting Machine Setters, Operators | 62 | 79 | 2.5% | 2 |
| Education Administrators, Postsecondary | 369 | 470 | 2.4% | 10 |
| Respiratory Therapy Technicians | 55 | 70 | 2.4% | 2 |
| Fitness Trainers and Aerobics Instructors | 617 | 784 | 2.4% | 17 |
| Editors | 333 | 423 | 2.4% | 9 |
| Education Administrators, Preschool | 109 | 138 | 2.4% | 3 |
| Automotive Glass Installers and Repairers | 87 | 110 | 2.4% | 2 |
| Archivists, Curators, and Museum Technicians | 118 | 149 | 2.4% | 3 |
| Environmental Science Technicians | 84 | 106 | 2.4% | 2 |
| Aircraft Mechanics and Service Technicians | 154 | 194 | 2.3% | 4 |
| Security Guards | 826 | 1,040 | 2.3% | 21 |

Skilled Worker Demand

High-skilled jobs are clearly in demand in the health care industries and also in educational services. These include jobs such as Teachers and all types of health care providers, as indicated in the list above. Computer technology positions are still in wide demand, although the growth over the next decade will not be as strong as recent years. Vermont has seen the demand for Mechanical Engineers grow significantly in recent years, due partly to the relocation of a major employer to our state. Growth is expected to continue for workers with experience in the appropriate fields of specialization.

The Captive Insurance industry has established a base of operations in Vermont that has prompted a growing need for accountants and financial analysts with experience in related operations. These positions are very high skilled and high paid. The base of employment is relatively small but it has grown steadily during the last ten years.

The demand for high level managers to deal with the complex problems of establishments will continue to grow. This need will reach across all industries in both the private and public sector. It will also include nonprofit organizations such as hospitals and other health care organizations.

Critical Jobs

There is a need for flexibility in defining critical jobs for the State. It is important to work with employers to respond to the changing needs of the labor market. Although projections are a valuable tool in preparing for the future, it is also important to work with the state WIB to respond to employer's needs as they develop.

Examples of recent discussions are:

- Information technology workers are needed across many industrial categories.
- A shortage of registered nurses exists throughout the State and is likely to get worse as the population ages.
- The partial recovery of manufacturing has exposed the need for skilled numerical control machine operators.
- There is a strong demand for dental hygienists in parts of the State.
- The Economic Development Department is trying to build on the success of the Captive Insurance industry and sees a need for high level financial analysts and managers.

- A small state like Vermont can find it challenging to fill upper level management positions as companies grow.
- The State would like to encourage the small but successful industrial optical lens production capability. This requires specialized engineers and production workers.

Skill Needs for Critical Jobs

The skills for critical occupations are available from the O'Net database and are published on the LMI web site at www.vtLmi.info/occupation.cfm

Examples of these skills for three in-demand occupations are:

Computer Systems Analysts

Knowledge:

Computers and Electronics - Knowledge of circuit boards, processors, chips, electronic equipment, and computer hardware and software, including applications and programming.

English Language - Knowledge of the structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar.

Education and Training - Knowledge of principles and methods for curriculum and training design, teaching and instruction for individuals and groups, and the measurement of training effects.

Mathematics - Knowledge of arithmetic, algebra, geometry, calculus, statistics, and their applications.

Customer and Personal Service - Knowledge of principles and processes for providing customer and personal services. This includes customer needs assessment, meeting quality standards for services, and evaluation of customer satisfaction.

Cross-Functional Skills:

Programming - Writing computer programs for various purposes.

Troubleshooting - Determining causes of operating errors and deciding what to do about it.

Operations Analysis - Analyzing needs and product requirements to create a design.

Quality Control Analysis - Conducting tests and inspections of products, services, or processes to evaluate quality or performance.

Complex Problem Solving - Identifying complex problems and reviewing related information to develop and evaluate options and implement solutions.

Abilities:

Written Comprehension - The ability to read and understand information and ideas presented in writing.

Written Expression - The ability to communicate information and ideas in writing so others will understand.

Mathematical Reasoning - The ability to choose the right mathematical methods or formulas to solve a problem.

Oral Comprehension - The ability to listen to and understand information and ideas presented through spoken words and sentences.

Deductive Reasoning - The ability to apply general rules to specific problems to produce answers that make sense.

Near Vision - The ability to see details at close range (within a few feet of the observer).

Oral Expression - The ability to communicate information and ideas in speaking so others will understand.

Fluency of Ideas - The ability to come up with a number of ideas about a topic (the number of ideas is important, not their quality, correctness, or creativity).

Problem Sensitivity - The ability to tell when something is wrong or is likely to go wrong. It does not involve solving the problem, only recognizing there is a problem.

Inductive Reasoning - The ability to combine pieces of information to form general rules or conclusions (includes finding a relationship among seemingly unrelated events).

Registered Nurses

Knowledge:

Medicine and Dentistry - Knowledge of the information and techniques needed to diagnose and treat human injuries, diseases, and deformities. This includes symptoms, treatment alternatives, drug properties and interactions, and preventive health-care measures.

Biology - Knowledge of plant and animal organisms, their tissues, cells, functions, interdependencies, and interactions with each other and the environment.

Customer and Personal Service - Knowledge of principles and processes for providing customer and personal services. This includes customer needs assessment, meeting quality standards for services, and evaluation of customer satisfaction.

Chemistry - Knowledge of the chemical composition, structure, and properties of substances and of the chemical processes and transformations that they undergo. This includes uses of chemicals and their interactions, danger signs, production techniques, and disposal methods.

Therapy and Counseling - Knowledge of principles, methods, and procedures for diagnosis, treatment, and rehabilitation of physical and mental dysfunctions, and for career counseling and guidance.

Psychology- Knowledge of human behavior and performance; individual differences in ability, personality, and interests; learning and motivation; psychological research methods; and the assessment and treatment of behavioral and affective disorders.

Education and Training - Knowledge of principles and methods for curriculum and training design, teaching and instruction for individuals and groups, and the measurement of training effects.

English Language - Knowledge of the structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar.

Administration and Management - Knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling, leadership technique, production methods, and coordination of people and resources.

Communications and Media - Knowledge of media production, communication, and dissemination techniques and methods. This includes alternative ways to inform and entertain via written, oral, and visual media.

Cross-Functional Skills:

Service Orientation - Actively looking for ways to help people.

Social Perceptiveness - Being aware of others' reactions and understanding why they react as they do.

Judgment and Decision Making - Considering the relative costs and benefits of potential actions to choose the most appropriate one.

Coordination - Adjusting actions in relation to others' actions.

Instructing - Teaching others how to do something.

Abilities:

Oral Expression - The ability to communicate information and ideas in speaking so others will understand.

Oral Comprehension - The ability to listen to and understand information and ideas presented through spoken words and sentences.

Problem Sensitivity - The ability to tell when something is wrong or is likely to go wrong. It does not involve solving the problem, only recognizing there is a problem.

Written Comprehension - The ability to read and understand information and ideas presented in writing.

Written Expression - The ability to communicate information and ideas in writing so others will understand.

Inductive Reasoning - The ability to combine pieces of information to form general rules or conclusions (includes finding a relationship among seemingly unrelated events).

Information Ordering - The ability to arrange things or actions in a certain order or pattern according to a specific rule or set of rules (e.g., patterns of numbers, letters, words, pictures, mathematical operations).

Near Vision - The ability to see details at close range (within a few feet of the observer).

Memorization - The ability to remember information such as words, numbers, pictures, and procedures.

Speech Clarity - The ability to speak clearly so others can understand you.

Numerical Control Machine Tool Operators and Tenders, Metal and Plastic

Knowledge:

Mechanical - Knowledge of machines and tools, including their designs, uses, repair, and maintenance.

Production and Processing - Knowledge of raw materials, production processes, quality control, costs, and other techniques for maximizing the effective manufacture and distribution of goods.

Engineering and Technology - Knowledge of the practical application of engineering science and technology. This includes applying principles, techniques, procedures, and equipment to the design and production of various goods and services.

Cross-Functional Skills

Operation and Control - Controlling operations of equipment or systems.

Operation Monitoring - Watching gauges, dials, or other indicators to make sure a machine is working properly.

Equipment Selection - Determining the kind of tools and equipment needed to do a job.

Equipment Maintenance - Performing routine maintenance on equipment and determining when and what kind of maintenance is needed.

Quality Control Analysis - Conducting tests and inspections of products, services, or processes to evaluate quality or performance.

Abilities:

Problem Sensitivity - The ability to tell when something is wrong or is likely to go wrong. It does not involve solving the problem, only recognizing there is a problem.

Control Precision - The ability to quickly and repeatedly adjust the controls of a machine or a vehicle to exact positions.

Number Facility - The ability to add, subtract, multiply, or divide quickly and correctly.

Reaction Time - The ability to quickly respond (with the hand, finger, or foot) to a signal (sound, light, picture) when it appears.

Wrist-Finger Speed - The ability to make fast, simple, repeated movements of the fingers, hands, and wrists.

Written Comprehension - The ability to read and understand information and ideas presented in writing.

Information Ordering - The ability to arrange things or actions in a certain order or pattern according to a specific rule or set of rules (e.g., patterns of numbers, letters, words, pictures, mathematical operations).

Manual Dexterity - The ability to quickly move your hand, your hand together with your arm, or your two hands to grasp, manipulate, or assemble objects.

Deductive Reasoning - The ability to apply general rules to specific problems to produce answers that make sense.

Visualization - The ability to imagine how something will look after it is moved around or when its parts are moved or rearranged.

The O'Net database provides a comprehensive listing of skills that are comparable among the wide range of occupations in the labor market. The Labor Market Information section has created an online report that can be used for any of the occupations considered critical for the State, as shown in the above examples.

Current and Projected Demographics of the Vermont Labor Pool

Overview:

During the next ten years, changes in Vermont's population and demographics will bear much similarity to trends taking place across the U.S. The population is aging, birth rates are declining, and the nation's workforce is reflecting this transformation. The prime working-age population (25-44 years) will decline as a percent of all Vermonters in 2010 and 2015. However, this cohort will rebound slightly in absolute number during those years.

To estimate the change in demographics expected in Vermont over the next ten years, we examined projections made from the 2000 Census. We also looked at the trend in demographics of Vermont employees and the migration of workers in and out of the State.

Population Projections

Between 2005 and 2010, the population of Vermont residents aged 15 and above is expected to increase by 4.1%. By 2015, the labor pool is expected to grow by an additional 2.3%. (Table 1) The proportion of the population up through the age of 44 is projected to decrease during the next ten years. The group aged 45 through 64 years old will increase slightly by year 2015. Persons aged 65 and older will experience the largest growth during the next ten years and, for the first time, will exceed the sizes of both the under 15 and the 15 to 24 age groups.

Table 2 shows the gender breakdown of the population projections. Males outnumber females through age 44 in all three projections (2005 through 2015). While women and men aged 45 through 64 are roughly equal in proportion in the 2005 projection, women are expected to outnumber men in this age group by 2015. The proportion of women in the 65 and older group exceeds the proportion of men for all three of the projected years, although by smaller amounts in 2010 and 2015. The proportion of older men in the population is expected to increase relative to that of women as the life expectancy for men increases.

Table 1. Vermont: Population Projections by Age, 2005-2015

| Age Group | Projections | | | Percent of Total Population | | |
|---------------------|-------------|---------|---------|-----------------------------|--------|--------|
| | 2005 | 2010 | 2015 | 2005 | 2010 | 2015 |
| ALL (Male & Female) | | | | ALL (Male & Female) | | |
| 0-14 | 110,129 | 102,529 | 103,270 | 17.6% | 16.0% | 15.8% |
| 15-24 | 100,218 | 103,010 | 93,129 | 16.0% | 16.1% | 14.3% |
| 25-44 | 155,533 | 145,170 | 146,984 | 24.8% | 22.7% | 22.5% |
| 45-64 | 177,658 | 194,893 | 194,920 | 28.4% | 30.5% | 29.9% |
| 65+ | 82,399 | 93,640 | 113,898 | 13.2% | 14.6% | 17.5% |
| 15+ | 515,808 | 536,713 | 548,931 | 82.4% | 84.0% | 84.2% |
| TOTAL | 625,937 | 639,242 | 652,201 | 100.0% | 100.0% | 100.0% |

University of Massachusetts, Amherst, MA, July 2003

Source: Massachusetts Institute for Social and Economic Research

Table 2. Vermont: Age/Gender Population Projections, 2005-2015

| Age Group | Projections | | | Percent of Total Population | | |
|---------------|-------------|---------|---------|-----------------------------|-------|-------|
| | 2005 | 2010 | 2015 | 2005 | 2010 | 2015 |
| MALE | | | | MALE | | |
| 0-14 | 56,340 | 52,412 | 52,658 | 9.0% | 8.2% | 8.1% |
| 15-24 | 51,732 | 52,886 | 47,702 | 8.3% | 8.3% | 7.3% |
| 25-44 | 76,520 | 72,414 | 74,267 | 12.2% | 11.3% | 11.4% |
| 45-64 | 87,550 | 95,360 | 94,703 | 14.0% | 14.9% | 14.5% |
| 65+ | 35,358 | 41,617 | 52,296 | 5.6% | 6.5% | 8.0% |
| 15+ | 251,160 | 262,277 | 268,968 | 40.1% | 41.0% | 41.2% |
| Total - Male | 307,500 | 314,689 | 321,626 | 49.1% | 49.2% | 49.3% |
| FEMALE | | | | FEMALE | | |
| 0-14 | 53,789 | 50,117 | 50,612 | 8.6% | 7.8% | 7.8% |
| 15-24 | 48,486 | 50,124 | 45,427 | 7.7% | 7.8% | 7.0% |
| 25-44 | 79,013 | 72,756 | 72,717 | 12.6% | 11.4% | 11.1% |
| 45-64 | 90,108 | 99,533 | 100,217 | 14.4% | 15.6% | 15.4% |
| 65+ | 47,041 | 52,023 | 61,602 | 7.5% | 8.1% | 9.4% |
| 15+ | 264,648 | 274,436 | 279,963 | 42.3% | 42.9% | 42.9% |
| Total -Female | 318,437 | 324,553 | 330,575 | 50.9% | 50.8% | 50.7% |

Source: Massachusetts Institute for Social and Economic Research
University of Massachusetts, Amherst, MA, July 2003

Race/Ethnicity

In 2003, Vermont's population consisted of approximately 96% whites (not of Hispanic origin), 0.6% blacks, 0.6% Native Americans, 1.0% Asians, and 1.0% of Hispanic origin.¹ These figures have not changed significantly since the year 2000.²

Vermont's Workforce Demographics

Table 3 shows recent trends in the demographics of Vermont's workforce. Similar to the demographic trends in Vermont's projected population, Vermont's labor force composition between 2001 and 2004 demonstrated a decrease in workers under age 45 and an increase in workers aged 45 and older. As of the first quarter of 2004, the group aged 25 to 44 was the largest group represented

¹ Computed from "Annual Estimates of the Population by Race Alone and Hispanic or Latino Origin for the United States: July 1, 2003" (SC-EST2003-05), U.S. Census Bureau, September 2004.

² Source: U.S. Census Bureau, <http://quickfacts.census.gov/qfd/states/50000.html>.

in the labor force. As the aging of the workforce continues, however, the 45 to 64-year olds will soon comprise the largest segment of Vermont's labor force.

Table 3.

Vermont Employment by Age: 2001 - 2004, 1st Quarter Employment

| III. Age Group | 1 st Quarter Employment | | | | % of Total 1 st Qtr Employment | | | |
|----------------|------------------------------------|---------|---------|---------|---|-------|-------|-------|
| | 2001 | 2002 | 2003 | 2004 | 2001 | 2002 | 2003 | 2004 |
| 14-24 | 46,560 | 45,620 | 44,528 | 44,315 | 15.7% | 15.5% | 15.4% | 15.2% |
| 25-44 | 140,131 | 136,173 | 130,304 | 127,698 | 47.3% | 46.3% | 45.0% | 43.9% |
| 45-64 | 101,216 | 104,220 | 106,123 | 109,881 | 34.2% | 35.4% | 36.6% | 37.7% |
| 65+ | 8,070 | 8,397 | 8,866 | 9,221 | 2.7% | 2.9% | 3.1% | 3.2% |
| Total | 295,977 | 294,410 | 289,821 | 291,115 | 100% | 100% | 100% | 100% |

Sources: VT Dept. of Employment & Training, Labor Market Information

U.S. Census Bureau, Local Employment Dynamics program

Note: Employment data presented in this table may not match numbers from other sources (e.g., QCEW) due to differences in definitions and methodology used.

In 2000, 75% of Vermont's male population participated in the workforce, and 64% of the state's female population were in the workforce (Table 4). Male participation rates exceeded those for females for all age groups except 16 to 19-year olds. Female participation rates were high for women between the ages of 20 and 54, and then began to drop off between the ages of 55 and 64. Men's participation rates did not decline greatly until age 65.

Vermont's overall labor force participation rate (69.3%) exceeded that for the U.S. (63.9%) and for the Northeast (63.2%). Vermont's female participation rate (64%) was notably higher than the national rate for female workforce participation (58%).³

Table 4.

Vermont Labor Force Participation Rates by Age and Gender: 2000

| Age Group | Male | Female |
|-----------|------|--------|
| 16-19 | 54% | 58% |
| 20-24 | 76% | 75% |
| 25-44 | 91% | 81% |

³ Source: U.S. Census Bureau, <http://www.census.gov/prod/2003pubs/c2kbr-18.pdf>.

| | | |
|----------|-----|-----|
| 45-54 | 90% | 83% |
| 55-64 | 71% | 59% |
| 65-74 | 30% | 19% |
| 75+ | 11% | 5% |
| All Ages | 75% | 64% |

Source: Rates computed from Census 2000 Summary File 3 (SF3), "PCT35. Sex by Age by Employment Status for the Population 16 years and over," U.S. Census Bureau. Data downloaded from http://www.vtlimi.info/county_age1.htm.

Migration

While migration out of populated northeastern states has been the trend in recent years, Vermont and other less populated New England states have experienced in-migration. During the period 1995 through 2000, Vermont saw in-migration of 0.4% (Table 5). Between 2000 and 2003, net in-migration was estimated at 1.0% (Table 6).

Between 1995 and 2000, Vermont received most of its out-of-state newcomers from those aged 5 to 24. The prime working-age group (25-44) experienced a net out-migration of close to 1%. Those aged 45 and above left the State and moved to the State in approximately the same proportions (Table 5). Almost all of the net in-migrants to Vermont between 1995 to 2000 were white. Persons of Hispanic origin had a net zero migration into Vermont during this period (the number that left the state about equaled the number that came in). Blacks and Asians moved out of Vermont in greater numbers than those who moved into Vermont during this time.⁴ More recently, however, Vermont's non-white and Hispanic populations have grown faster than its white, non-Hispanic population. Between 2000 and 2003, Vermont's black population increased 14.9%; Asian and Pacific Islanders increased 18.1%; persons of Hispanic origin grew by 5.5%; and, the white, non-Hispanic population increased by only 1.2%.⁵

Table 5.
Vermont Gross and Net Migration by Age, for Ages 5 Years and Over: 1995-2000

| Age Group | Population, 5 yrs & over | In-migrants | Out-migrants | Net Migration | Net Migration Percentage |
|-----------|--------------------------|-------------|--------------|---------------|--------------------------|
| 5 - 14 | 86,561 | 8,343 | 6,759 | 1,584 | 1.8% |
| 15 - 24 | 84,058 | 18,455 | 16,298 | 2,157 | 2.6% |
| 25 - 44 | 176,278 | 27,000 | 28,624 | (1,624) | -0.9% |
| 45 - 64 | 150,650 | 11,214 | 11,096 | 118 | 0.1% |

⁴ U.S. Census Bureau, "Migration by Race & Hispanic Origin," October 2003.

⁵ Vermont Population Estimates 2003, Vermont Department of Health, January 2005.

| | | | | | |
|-------|---------|--------|--------|-------|------|
| 65+ | 77,295 | 4,736 | 4,717 | 19 | 0.0% |
| Total | 574,842 | 69,748 | 67,494 | 2,254 | 0.4% |

Source: U. S. Census Bureau, Census 2000, special tabulation, August 2003

[Data based on a sample. For information on methodology, see <http://www.census.gov/prod/cen2000/doc/sf3.pdf>]

Table 6.

**IV. Vermont Population Estimate, Births, Deaths and Net Migration: 2000
- 2003**

| Census 2000 | Estimate 2003 | Change '00 to '03 (#) | Change '00 - '03 (%) | Births | Deaths | Net Migration (#) | Net Migration (%) |
|----------------|------------------|-----------------------------|----------------------------|--------|--------|-------------------------|-------------------------|
| 608,827 | 619,116 | 10,289 | 1.7% | 21,038 | 16,564 | 5,815 | 1.0% |

Source: Vermont Department of Health, 2005

Skills Gap for Current and Future Labor Pool

There is a continuing need to improve the information technology skills of workers in many occupations. The pervasive use of computers in the work place requires training from clerical to managerial positions. It also affects the manufacturing environment where production activities are often connected to automated systems, requiring programming and monitoring of technical functions. The increased use of teams in the production environment also affects the skill requirements for manufacturing jobs. Employers now look for workers who understand the basics of Statistical Process Control (SPC) and can help the firm meet the quality standards of ISO 9001:2000. The gap in production skills is often associated with the workers' ability to apply advanced math skills, such as trigonometry, that were once used only in careers requiring a college degree.

The rapidly changing health field has also placed greater technical demands on workers to understand new procedures and equipment. Health care professionals have to maintain their certification by training on the latest advances in their field of specialization. This affects nurses, doctors and newer occupations such as physicians' assistants. Cost concerns for health services has expanded the number of positions providing direct service to the public. All these positions require a continuous effort by the professional to understand the latest technical advances.

Workforce Development Issues

Establishing an educational infrastructure to provide the training workers and employers need is essential. Once established, government must work to ensure that the educational system responds to the changing needs of the labor market.

The Department of Employment and Training will continue to use the Labor Market Information section to identify the likely course of future demand for particular occupations. At the same time DET must work with employers, through WIBs and other administrative structures, to make sure that critical needs are being met. New and emerging occupations will not be identified immediately through employment surveys alone. This will lead to gaps in preparing workers for some rapidly developing careers. Employers can provide an early warning of these problems.

Communication among government and the private sector is important but adequate resources must be provided to the states to implement the training system. The state government can support the evolution of the labor market only as long as resources are available, either from the federal government or directly from employers.

The latest demographic information indicates the possibility of a labor shortage by 2015, if economic growth improves. The prime working-age population will decline during the next 10 years, leading to a tighter labor market. Vermont will try to expand the labor pool by ensuring opportunities for groups, such as the disabled, who have relatively low labor force participation rates, offenders, older workers, etc. In addition DET will continue to cooperate with other state agencies to prepare ethnic and racial minorities for employment opportunities. In recent years, social service agencies have facilitated the relocation of refugees to Vermont. This has contributed to the relatively rapid growth of the minority population. These new arrivals need assistance adapting to the workplace but they can help satisfy the demand for workers in the future.

Workforce Development Issues Prioritized

Vermont, like many states, is approaching a time when the quantity and quality of the workforce will greatly influence its economic health and growth. Demographic changes mentioned above demonstrate that Vermont must find individuals from non-traditional segments of the population to meet its employers' workforce needs. To meet this challenge, greater emphasis will be placed on bringing individuals with disabilities, economically disadvantaged individuals, individuals who have been incarcerated, older workers and others into the workforce.

At a time when federal support of workforce programs is declining, in real if not current dollars, outreach must expand. Vermont with its low population density faces some unique challenges in finding ways to reach out to individuals who have not traditionally participated fully in the labor market. The State's population is

spread out over a relatively large geographic area. The targeted populations often do not travel great distances or have all the technological advantages of others. DET's new service delivery model is designed to meet this challenge. The cost of expanded geographic coverage will mean fewer hours of service in many one-stops.

The quality of the workforce is also important. Great emphasis has been placed on encouraging individuals to seek college degrees. That emphasis needs to continue but policy makers must also recognize that many of the critical occupations that require high level skills but not college are facing shortages as the workforce ages and people retire. Vermont is facing these shortages now in occupations such as CNC machinists, carpenters, and electricians.

One of Vermont's top priorities is to strategize ways to bring the non-traditional groups into a system that offers remedial education and occupational skills training and which meets the needs of Vermont employers.

V. OVERARCHING STATE STRATEGIES

The State intends to leverage other federal, state, local and private resources and expand the workforce system participation of employers and individuals in a number of ways. For example, State funded training programs administered by the Departments of Economic Development and Employment and Training coordinate closely with each other and often are involved in the same projects. In addition, federal WIA funds are often used in conjunction with the State programs in order to maximize investment and minimize duplication. Other programs, such as TANF and Vocational Rehabilitation, which are funded by both state and federal dollars, are closely linked with the one-stop system. TANF has a long-standing formal contracting relationship with the Department of Employment and Training (DET) to provide job development and training through the one-stop system and Vocational Rehabilitation staff are located in many one-stop centers and, in many instances, co-case manage clients. The rationale behind efforts such as these is two fold: 1) leverage resources to the greatest extent possible, and 2) provide more efficient and effective customer services to both employers, workers and job seekers.

While these are examples of strategies being utilized to address larger policy directions at both the national and state level, and to respond to analysis of the labor market, they are nevertheless, indicative of an overall cohesive strategy to serve customers in the most cost effective and customer friendly manner. On a macro level, the Jobs Cabinet and the HRIC, as indicated in the vision statement section, are charged with overall workforce strategy. As an example, the HRIC, as

a result of legislative focus, labor market analysis and employer input, has established two key task forces focusing on Information Technology and Health Care. This action was taken as a result of in-depth economic and labor market analysis that included where the high growth, high demand occupations were. As a result, significant resources in the public workforce system have been steered to support these industries. Over time, it is recognized that these priorities will shift as the economy and the labor market shifts and other industries or occupational clusters emerge as important components of Vermont's economy.

On another level, an increased focus on the business community has emerged from the long-standing recognition that business is the engine of growth in the economy and from business growth comes job growth. From the Governor's economic strategies, enumerated earlier, to the HRIC's local and regional business needs analyses, the resources devoted to workforce education and training are increasingly being directed to respond to demand driven business needs.

Strategic partnerships are crucial to the success in meeting workforce challenges. These partnerships are numerous and functional at every level of workforce planning. For example, the need to provide increased career information in the K-12 educational system is being addressed by a partnership between the Vermont Student Assistance Corporation and the Departments of Education and Employment and Training; the need to establish increased emphasis on business needs is being addressed through a new one-stop service delivery system being designed through partnering with one-stop partners; State grant money is being strategically targeted through a partnership comprising members from Economic Development, Employment and Training, education, TANF, organized labor and business; a program to facilitate entry into the job market or educational training for welfare recipients has been established through a partnership between TANF, the Vermont State Colleges and Employment and Training; and a program to promote career, educational and occupational planning for students and adults statewide involves a partnership between the Vermont Student Assistance Corporation, the Community College of Vermont and Employment and Training.

At the regional level, the Vermont HRIC has established eleven affiliate workforce boards that work to establish partnerships between business, education and the workforce system. This provides Vermont, which is a single workforce area state, with a vehicle to develop regional strategies that address regional issues and assure coordinated and efficient use of resources.

While there are limited training funds across the system, efforts are being made to support training in high growth, high demand industries. In addition to the specific provisions in the State's overarching strategy for job creation and

economic advancement detailed earlier, other key strategies include pursuing competitive grants that focus on high demand, high growth occupations. For example, Vermont is the recipient of two H-1B grants that focus on health care and information technology. Also, in focusing on the three strategies of retention, recruitment, and entrepreneurship, the Governor will focus resources on high tech incubator opportunities, telecommunication initiatives, an emerging technology partnership between Economic Development and the University of Vermont, a micro technology center, and others. Since Vermont is a state of small businesses (80%), all references related to workforce strategies and economic strategies directly affect small businesses, as well as our few larger employers. In general, workforce strategies support economic strategies by being responsive to the demand driven aspects inherent in economic policy, which is enumerated under State Vision (p.4) earlier in the plan. These strategies are carried out, in part, through the many references to industry task forces (e.g. health care and IT) and to strategic business partnerships developed through the regional WIB network described under State Governance Structure (p.8). As economic policies and strategies work to support the creation and growth of businesses in any given region, the WIB network is there to assess workforce needs and convey those needs to the one-stop system, which has representation on each regional WIB. In addition, as workforce needs are assessed, educational partners are incorporated into the strategic planning process.

Three specific workforce-training programs support the growth of small businesses in Vermont: the Vermont Training Program (state funded), the Workforce Education and Training Fund Program (state funded), and the WIA programs. The former is administered by the Department of Economic Development and the latter two by the Department of Employment and Training. All three programs work closely together to ensure economic and workforce initiatives are aligned in the support of business success and growth, especially small business success and growth.

Utilizing reserve funds: The funds reserved for statewide activities are targeted to areas of need and support the State's vision. For example, it is the Governor's intention to grow the labor force and grow the skills of the labor force. To support this intention, the reserve funds have been used to fund non-traditional training for women through the Northern New England Tradeswomen organization, innovative incumbent worker training, and programs targeted for youth through EZ/EC (youthbuild). In addition, to facilitate the coordination of Vermont's workforce education and training system, the reserve helps fund the HRIC and its activities.

Serving Youth Most in Need: Vermont has multiple strategies focusing on at-risk youth starting with the Success by Six strategy, which involves multiple programs and targets pre-school children from "at-risk" families. Success by Six is an initiative run by the VT Agency of Human Services and involves the coordination of multiple human service departments to ensure children of all Vermont families are ready for school by age 6. That is, each child will have a nourishing diet, a stable home life, etc., and families will have information on resources and referrals to services related to healthy children and child upbringing. The initiative has been operating for a number of years after it was recognized that outreach to families of young children can have long lasting positive effects related to family, community, and economic issues including the reduction of the number of older at-risk youth.

Strategies focused on at-risk older youth include utilizing expertise and resources from many sources to ensure success transitions to self-sufficient work. For example, young offenders, aged 16-24, who are soon to leave detention are provided services through a partnership between Corrections, Education, Employment and Training, and many community based organizations. The focus is on obtaining living accommodations, education and employment. Another example includes a partnership between Vocational Rehabilitation, Employment and Training, and Education, which helps secondary students with disabilities transition to work or post-secondary education. The strategy of providing wrap around services to serve youth most in need extends to those who are at risk of dropping out of school, living in unsafe conditions at home, suffering from drug abuse, domestic violence, child abuse, etc. Coordinated efforts for this population include WIA staff through the one-stops, school guidance counselors, probation officers, special educators, social rehabilitation workers and others as appropriate.

Overcoming barriers to achieve success:

The State has many strategies designed to eliminate obstacles to economic and workforce development goals, including those associated with business regulation, infrastructure, telecommunication, capital, etc. In addition, Vermont has successfully requested waivers for provisions in the Workforce Investment Act that impeded effective and efficient functioning of its workforce system, and has requested (and received) an extension of those waivers to 2007. When the current law is reauthorized, Vermont intends to further evaluate the need to take advantage of waiver and flexibility provisions, especially in the areas of funding stream flexibility and the provision of youth services to younger adults.

At the state level and intertwined with Vermont's economic development strategy, a number of initiatives are in progress to address barriers to economic

and workforce development. Among the strategies are reform of the permitting process, reform of the workers' compensation laws, implementing steps to reduce utility costs, and development of a telecom infrastructure to meet today's business needs. Successful implementation of these reforms are designed to better encourage business startups and better enable business expansions, both of which result in jobs for Vermonters.

As a preface to this reform strategy, the Governor's Job Creation and Economic Advancement plan states that: "We must recognize our unique responsibility in order to help Vermonters compete. We must help them retain our existing jobs and promote the expansion or relocation of new companies to Vermont. We must address these cost drivers, and to the extent public policy changes are at fault, make changes..." For a comprehensive overview of Vermont's strategies to achieve its economic and workforce development goals see:

<http://www.thinkvermont.com/publications/pdf/DouglasJobPlan2004.pdf>

VI. MAJOR STATE POLICIES AND REQUIREMENTS

Common data collection, administrative resources, and universal access

In Vermont, Workforce Investment Act, the Employment, Trade, Apprenticeship, Unemployment Insurance, Veterans, Labor Market Information and other DOL employment and training programs fall under one administrative entity. To that end, economizing and gaining efficiencies within the context of data collection, reporting, performance and service delivery have been achieved. However, to further economize in the face of ongoing federal budget cuts, Vermont is developing a new service delivery strategy that will decrease the emphasis on bricks and mortar and increase the emphasis on technology. It is planned that this strategy will increase consistency of service statewide, enhance universal access through technology, and provide better outreach to under served areas of the state. While Vermont will continue to provide the full array of employment and training services through various outreach strategies and a number of full-service one-stops, the trend will be to move towards a virtual one-stop system via technology for many customers.

Consistency of service is ensured by virtue of the fact that Vermont is a single workforce investment area state and that delivery of WIA Title I and Wagner Peyser services is performed under a single management structure. Monthly meetings of program and career resource center managers enable

discussion of all service delivery issues and a system wide understanding of any resulting policy statements.

A demand driven approach

One of the strategies of the HRIC is to "utilize regional workforce plans and other demand side data to ensure that programs lead to real job opportunities." Within that context the HRIC, in partnership with the Labor Market Information Division at DET, has developed user friendly regional labor market data to help instill a demand driven approach to skill training and business decisions. As part of this approach, the LMI Division provides statewide training during the year to one-stop staff as well as staff from other organizations including those from regional boards.

Apprenticeship and Job Corps

As of the late 1990's, when it was transferred from another agency to DET, the Registered Apprenticeship Program has been fully integrated into the one-stop delivery system. In order to better facilitate regular contacts with employers and apprentices, apprenticeship staff provide statewide coverage through the one-stop system

Vermont has one Job Corps facility located on the western side of the state. The Job Corps director is a member of the HRIC and participates in the decision making process that establishes state policies related to workforce education and training. In addition, one-stop staff have occasional joint meetings with Job Corps staff, and last program year Job Corps staff participated with one-stop staff in a WIA performance measures training session.

VII. INTEGRATION OF ONE-STOP SERVICE DELIVERY

Vermont is a single workforce investment area state and therefore is required to have one full service one-stop center, which we consider our Burlington Center. However, for years Vermont has had eleven additional full service one-stop centers located strategically around the state.

Certification of the one-stop has been formalized by the Governor who named DET as the one-stop administrator. However, as advisor to the Governor, the HRIC regularly receives one-stop performance reports and acts accordingly as questions or concerns arise. All staff at the one-stops receive Career Development Facilitation training and certification through a partnership with the Community College of Vermont. This training is geared to enhance skills and ensure

professional services are provided to customers, both employers and individuals. In addition, staff receive formal presentations and information on labor market information.

As employees of a single department, WIA Title I and Wagner Peyser staff are fully integrated. Although current policy calls for specialization in Wagner Peyser, and WIA adult, youth and dislocated worker funding streams exceptions can be and are made when it is in the best interest of business and individual customers. The only adjustments required to enable this are a change in codes charged for time distribution purpose

In order to maximize integration of services, Vermont is in the process of merging two independent departments that administer DOL regulatory programs (OSHA, Worker's Comp, Wage and Hour, etc) and employment and training programs (WIA, ES, UI, TAA, Apprenticeship, Vets, etc). This merger will provide a comprehensive one-stop service delivery structure for businesses and individuals that normally have to deal with both departments.

This merger, and the merger of DOL employment and training programs in the past, has led Vermont to closely evaluate one-stop infrastructure costs. The current model is to provide a base-line square footage cost then cost-out add ons that may include copier use, phone line, computer, etc., depending on the partners' needs.

Further, JobLink was implemented on March 15, 2004 providing employers, job seekers and DET staff with a web based labor exchange system. Our plan has been to fully operationalize the ServiceLink and FiscalLink modules of JobLink on July 1, 2005 or as soon afterward as is feasible. The referenced "over time" refers to the possibility of hosting case management functions for partners such as vocational rehabilitation, the farmworker program and the SCSEP provider who all now use JobLink for labor exchange and/or outreach purposes.

VIII. ADMINISTRATION AND OVERSIGHT OF LOCAL WORKFORCE INVESTMENT SYSTEM

Area Designation

Vermont has been designated a single workforce investment area state since the inception of WIA in 1998. This action was an extension of the designation under JTPA as a single workforce area state. There are no plans to alter this designation.

Within the context of a single workforce investment area state designation, Vermont has ensured that members of the state board, which serves as the local

board as well, has membership that reflects local board representation. In this circumstance, the Governor is the "chief elected official", and appoints the membership as described in Part III, page 8 of the state plan.

Even though Vermont is designated a single workforce investment area state and is required to have only one state board (HRIC), it has established eleven affiliate boards around the state, which serve to provide the HRIC with a better "feel" for local and regional issues, most notable of which are needs of local businesses. In fact, the HRIC has provided funding to the affiliate boards to conduct a needs/sector analysis in each region in order to more fully understand regional business needs and target resources to meet those demand-side needs.

These analyses provide the HRIC with valuable information when developing its Strategic Plan every two years.

Plan Development Process (from Guidance attachment D for single investment area states)

Vermont's plan development process is multifaceted and inclusive. We anticipate a 2 $\frac{1}{2}$ month development time frame that includes:

- Establishment of a writing team that includes the HRIC and program administrators;
- Review of the vision section by the Governor's office;
- Editing and putting the various sections into a readable format for review;
- Review of the draft by the HRIC executive committee;
- Review of the draft by partner agencies, full HRIC, local boards and public (including newspaper announcements and Website posting);
- Final draft review by the Governor's office;
- Final draft submitted to DOL.

(Note: Guidance sections B-F: Not applicable to single workforce investment area states. See guidance attachment D information at end of document)

Provider Selection Policies

Vermont has a relatively small population located over a relatively large geographical area. This demographic exemplifies the "rural nature" of the State, but dramatically hinders its ability to establish a viable eligible provider training program as prescribed by law. To remedy the problem and facilitate customer choice and informed decision making, Vermont applied for and received a waiver that allowed for a more viable eligible training provider system to be established. To instill accountability and continuous improvement into the system, one-stops

provide information related to WIA participants and provide information to prospective trainees related to training provider performance and customer satisfaction. The eligible training provider list is maintained by DET on its website.

The state board will develop the required applications for eligible providers and make them available to providers of training either through its executive director or at local one-stop career centers. The providers of training will submit their applications to the state board. Upon receipt of the application, the state board will establish a list of providers that will also include the required information. The list will then be forwarded to the designated state agency, DET. To appeal removal from the state list and denial of eligibility, a provider of training services will:

- Submit a written request for a hearing to the state board. This hearing—conducted by the state board—must take place within 30 days of receipt of the request.
- The hearing shall include a rendering as to why the eligibility was terminated by the state board and an appeal by the training provider as to why the decision should be reversed or a compromise established.
- Within 10 days of the hearing a final judgement by the state board will be rendered and will include the length of time the provider must remain ineligible, if at all, and conditions that will justify reestablishing eligibility.

The process to award grants and contracts will be done through a competitive process unless a sole source provision is utilized, which will be an exception. The competitive process, including those for youth services, will be handled through an RFP process, overseen by the HRIC, announced publicly (via media and other means) and awarded on a timely basis. Formal monitoring and oversight procedures are in place to ensure quality service provision (see Oversight and Monitoring Process below).

The criteria used to award grants for summer employment opportunities are as follows:

- 1) Evidence that any suitable youth recommended by DET get priority admittance into the program being considered.
- 2) How well the activity contributes to attainment of state negotiated WIA performance measures?

- 3) Demonstrated ability to cooperate and collaborate with other youth programs in their area.
- 4) How well the SEO activity addresses academic and occupational needs of youth.
- 5) How well the activity meets the needs of the individual youth.
- 6) Number of WIA eligible youth to be served.
- 7) Percentage of WIA eligible youth to complete the activity.
- 8) Description of how the applicant will deal effectively, and in a timely and positive manner, with behavioral or social issues that hinder successful completion.

No grants are currently being awarded for any other activities.

Note: OJT and customized training providers do not need to provide us with performance information as we will maintain that information on previous recipients of their WIA funded training programs if there are any.

One-Stop Policies

It is the vision of Vermont's one-stop Career Resource Center System to strengthen coordination between the workforce investment programs serving youth, adult, and dislocated workers; adult education and literacy programs; veterans programs, vocational rehabilitation programs; vocational education programs; the Vermont Student Assistance Corporation; older worker employment and training programs; secondary and post secondary educational institutions; community based organizations; Native American programs; and others in order to provide a cohesive workforce development system. By improving coordination and establishing critical linkages among system partners, Vermont intends to ensure a seamless experience for all customers as they access needed programs and services.

The Vermont Department of Employment and Training (DET) has been designated by the Governor to be the one-stop operator and the primary provider of services in the one-stop Centers. Currently, there are 12 one-stop Career Resource Centers (CRC's) strategically located in the State. However, Vermont is in the process of establishing a new service delivery system that will emphasize less bricks and mortar, enhanced technology, and increased outreach to employers and underserved areas of the state.

Vermont is a single workforce investment area state. In Burlington there is one comprehensive center at which the applicable core services from all the required partners, including the basic labor exchange, are available either in-

person or electronically. The remaining one-stop CRCs will continue to provide the full range of services.

DET has established a case management and reporting system to accommodate WIA. This system sends and receives common information to and from other systems operated for other DET programs such as Wagner-Peyser and Unemployment Insurance, and includes DET's employability plan documents. In addition, DET has installed America's Job Link (AJL), a web based information and operating system. Over time DET will convert its applications to enable access via web browser for all partners. This will enhance communication and facilitate co-case management.

One-stop partners will be primarily responsible for providing the core services they are authorized to deliver and for which they are provided funding.

Wagner-Peyser, Trade Act, Veterans' Employment and Training and WIA funds will be used by DET to provide core, intensive, and training services. It is expected that all one-stop operator and one-stop partner staff will be knowledgeable about all services provided at the one-stop center in Burlington and affiliate sites through cross-training initiatives. One-stop partners will be responsible for providing technical assistance and training to local one-stop staff as well to other one-stop partner staff not located in the one-stops. One-stop partners will retain eligibility determination for their respective services whether co-located or connected electronically. Costs for core, intensive, and training services for customers who are determined to be best served and eligible for a partner's services will be borne by the partner that is authorized and funded to deliver the respective service.

Additionally, pamphlets and other informational materials about one-stop partners' programs are available to customers in the one-stop center and affiliated sites. One-stop partners are responsible for providing up to date materials about their programs and services.

DET will provide Labor Market Information (including employment statistics) through the one-stops as well as through the DET Website. All one-stop partners and the public will have access to the information. One-stop partners who request customized Labor Market Information and reports will bear the cost.

Oversight/Monitoring Process

As outlined in the Uniform Administration Requirements (UAR), DET is required to monitor a subrecipient's (subcontractor, subgrantee, etc) use of federal funds through site visits or other means to "provide reasonable assurances that the subrecipient administers Federal awards in compliance with laws,

regulations and the provisions of contracts or grant agreements and that performance goals are achieved.”

In order to meet the UAR requirements, DET will monitor a subrecipient at least once annually. In carrying out this requirement, certain risk factors shall be taken into consideration in determining whether monitoring needs to take place more often. Risk factors include, but are not limited to:

- Program complexity;
- The monetary size of the grant; and
- The subrecipient's experience with grant oversight.

Monitoring may take various forms, such as:

- **Reporting:** reviewing financial and performance reports submitted by the subrecipient;
- **Site visits:** on site visits to review financial and programmatic records and observe operations as well as to review EO compliance;
- **Contact:** regular contacts with subrecipients and appropriate inquiries covering program activities, including financial and EO.

DET monitoring will consist of three areas: financial (in accordance with the requirements of 20CFR Part 652 - Subpart D and OMB Circular A-133), program (in accordance with WIA Sec. 183 and CFR Part 652—Subpart D) and EO (in accordance with WIA Sec. 188 and 29 CFR 37). Monitoring will include all subrecipients whether funded through formula grants or the Secretary's discretionary grants. It will be the responsibility of the fiscal office, the EO officer and the subrecipient's program manager to maintain a log of monitoring activity that can be accessed as necessary by the Commissioner.

Each area, financial, programs and EO, shall develop its own monitoring tools and will coordinate monitoring activities to the greatest extent possible. For example, basic EO compliance may be carried out through an initial mailing and during routine financial or program monitoring. For example, the following five questions could be asked during financial or program monitoring and if it was deemed that problems existed, the EO officer would be contacted and a full EO monitoring would take place:

1. Are you aware of your obligation to comply with the provisions of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Section 188 of the Workforce Investment Act, and the Americans with the Disabilities Act?

2. Do you have a staff person to assist with Equal Opportunity responsibilities? Is that person's identity known to all?
3. Have all employees been notified or received a copy of the Equal Opportunity is the Law poster? Is it posted in a prominent location in the workplace visible by both employees and customers?
4. Have any complaints alleging discrimination been filed during the program year? If so, how were they handled?
5. Are all services/activities provided in your facility accessible to persons with disabilities? If not, what accommodations are provided?

DET will conduct routine monitoring of its local CRCs and grantees to ensure full compliance of WIA rules and regulations and that performance goals are met.

Grievance Procedures (see Attachment IV)

(Note: K, "facilitating effective local workforce investment systems" is not applicable to single workforce investment area states)

IX. Service Delivery

One-stop delivery strategies

As referenced a number of times, Vermont is a single delivery area state and has one official one-stop center in Burlington. However, there are 11 affiliate one-stop sites statewide, all of which offer the full array of services, including either a physical presence or electronic connections with all one-stop partners.

Programs, including those under WIA Title I (adult, youth and dislocated workers), WIA Title III (the Wagner-Peyser Act), Trade Adjustment Assistance, Registered Apprenticeship and Veterans Employment and Training, are integrated administratively and provided in Vermont by Department of Employment and Training staff who are based in our one-stop center and affiliate locations. A Senior Community Service Employment provider and the Job Corps recruitment agency have office space and part-time staff located in the one-stop center. The adult literacy services provider runs workshops and administers GED testing in the one-stop center on a regular basis. Vocational rehabilitation maintains office space and staff at the one-stop center as well. Unemployment compensation claims can be filed by telephone in the one-stop. Migrant and seasonal farmworker program staff are in the one-stop on a regular basis to perform outreach. All community

development block grant recipients are required to recruit low-income candidates for any positions they are filling through the one-stop system. One-stop youth staff work closely with and enroll youth in the Housing and Urban Development's Youthbuild program operated by Recycle North. Electronic links to the technical education system, community action agencies funded by community service block grants and the Native American programs are maintained on the DET Website.

Formula funded DET youth specialists are based in one-stop centers around the state as well as in our one-stop center in Burlington. Funding for the specialists is not sufficient to support a full-time staff position in each center but staff travel among locations in order to provide services to eligible youth. All staff are aware of the USDOL vision for serving youth who are most in need and are able to identify and refer appropriate youth to the specialists. Requests for proposals for competitive grant opportunities require development of joint participant training plans in conjunction with DET youth specialists.

All one-stop affiliate sites and the Burlington one-stop provide individuals with a resource area that enables them to explore careers, create a resume, access workforce information and locate job opportunities. Labor exchange activities such as job referral, job search workshops and job development are provided by Wagner-Peyser and WIA core funded staff. More intensive services such as in-depth assessment and development of an individual employment plan are available by appointment and may lead to training activities. Referrals to the services provided by other one-stop partners occur when appropriate.

Developed through a consortium of states, DET implemented Vermont JobLink in March of 2004. This web-based self and staff assisted labor exchange system allows for job seekers and employers throughout the state and beyond Vermont's borders to connect with each other and explore potential employment opportunities. Over the time frame covered by this plan, DET plans to more fully implement the programmatic and case management features of the system to support the delivery of WIA and TAA services. The system has the capacity to become the case management tool of other one-stop partners beyond the programs operated by DET, a potential that will be more fully explored during the period covered by this plan.

As stated above, all one-stop CRC's have a resource area that has universal access. In six of our smaller centers the areas will be open to the public four days per week. The fifth day will be focused on business customers. Fifth day activities will include validating job orders, matching job seekers to employers' job opportunities and revitalizing our employer relations program through visits to targeted employers, particularly those in high growth industries. An expected

outcome of those visits will be a greater understanding of employer workforce needs and an increased emphasis on customized and on-the-job training. The increased emphasis on our business customers will also be reflected in the services provided through the other six full-time one-stop's.

Workforce Information

Integration of workforce information into the planning and decision making process is a priority. At the state level, easy to read occupational and labor market information is developed for decision making at the local level. At the local level, no participant can be enrolled in occupational skills training unless it has been determined that there is a reasonable expectation for employment in a demand occupation.

Information is disseminated on a regular basis to one-stop centers and HRIC affiliate boards around the State. The information is also available via the Web providing easy access for schools, libraries, businesses, homes, etc.

The Workforce Information Core Products and Services Plan is closely aligned with the State Plan through the Labor Market Information Division's direct participation in plan development. This ensures both close alignment with both plans, and ensures alignment with overall workforce investment policy.

Coordination between State workforce information products and tools and the national electronic information products and tools takes place in many ways. For both long run (ten year) and short run (two year) occupational projections, final output files are transmitted to the organization designated by ETA. The projections software used by DET has a specific output option designed for the ETA file. In addition, Vermont, like all states, uses O'Net skills information, which comes from the O'Net Website. Since it is up to the states to decide how to integrate O'Net into their respective occupational information, DET has chosen to utilize in-house staff to develop its 'Occupational Information Center,' which includes O'Net skills and other information. Lastly, DET shares job bank information with America's Job Bank, which is sometimes considered part of the electronic tools framework.

Adults and Dislocated Workers

Core Services: Vermont is moving to a new service delivery strategy, which will include a comprehensive one-stop in Burlington, and 11 affiliate sites strategically located around the state. All adults and dislocated workers will be provided access to core services at each of the sites, including:

- Orientation to job information and other services available through the one-stop delivery system.
- Initial assessment of skills, aptitudes, abilities and supportive service needs.
- Job search and placement assistance.
- Labor market information on local, state and national occupations in demand and the earnings and skill requirements for those occupations.
- Information related to eligible training providers.
- Determination of whether individuals are eligible to receive services beyond core services.

Vermont's labor exchange strategy includes maintaining the capacity to provide a three-tiered service delivery system for individuals and employers that includes (1) self-service, (2) facilitated self-help service, and (3) staff-assisted service. Vermonters can select the most appropriate method to access information and services statewide at the one-stop centers or via electronic means. The system is designed to address the rural nature of the state and the diverse needs of our many customers, both job seekers and employers.

For many years, services and resources related to the Wagner-Peyser Act and job training programs under JTPA and now WIA have been integrated at the local level. Core services are provided in a seamless manner at the one-stop centers for most of the partner programs and for those that are not physically located at the one-stops, core services are provided electronically.

Intensive Services: WIA staff based in one-stop centers offer intensive services to adults and dislocated workers statewide. After an assessment, one-stop staff refer appropriate individuals for intensive services and enrollment in the WIA adult and dislocated worker programs.

One-stop center partner agencies make direct referrals to WIA staff for intensive services at any point in the partner agency's intake and referral process. WIA staff have been trained and certified as Global Career Development Facilitators through Vermont's Community College system ensuring that all DET customers requiring services will benefit from professional quality assistance. Staff activities include:

- Comprehensive assessment of skill levels and service needs: in-depth interviewing and evaluation to identify employment barriers,
- Development of employability plans,

- Work experience, and
- Referral of participants seeking training services.

Training Services: Our strategy for increasing training access includes setting up toll free telephone lines and scheduling appointments with WIA staff. This would enable Vermont DET to obtain self-referrals from customers throughout the state and not limit the programs to agency based customer referrals. Individuals who register with DET through Vermont JobLink answer a series of questions, which identifies them as potentially eligible for adult or dislocated worker services. DET case managers will use this feature for outreach if funding allows. Training services include:

- Occupational skills training, including training for non-traditional occupations.
- On-the-Job Training.
- Training programs operated by the private sector.
- Skill Upgrading and Retraining.
- Entrepreneurial Training.
- Job Readiness Training.
- Adult education in conjunction with other training.

Individual Training Accounts (ITAs) help facilitate training services through the one-stop system and are maximized by identifying those customers for whom ITAs are appropriate as soon as possible.

Training strategies include utilizing labor market information so customers can make informed decisions about training opportunities in growth industries and demand occupations. This strategy includes matching occupational choice with an appropriate eligible training provider. Preceding eligibility determination for an ITA, an assessment of Pell Grant eligibility takes place in an effort to leverage funds.

All occupational training is assessed for viable long-term employment. That is, training is focused on occupations that will provide self-sustaining employment in high demand occupations that are economically vital to the state and the region. Due to funding constraints, the average cost of an ITA is limited to \$5,000. Since this is an average there will be some training situations that cost more, some less. Since funding is limited, there is also a policy to discourage enrollment into four-year college degree programs. In support of these policies, WIA Title I reserve funds are used for apprenticeship programs that are innovative and responsive to labor market analysis that shows strong occupational growth potential.

Sectarian Activities: Pursuant to 20 CFR 667.266(b)(1) no WIA Title I assistance is spent on the employment or training of participants in sectarian activities. However, Vermont acknowledges that effective July 12, 2004, WIA Final Regulations have been revised with regard to the possible role of sectarian/religious organizations as service providers. We understand the new regulations mean that:

- All social service organizations are potentially eligible to become WIA service providers even though no public money may be directed by government entities or contractors for sectarian/religious purposes, and
- The first amendment rights of sectarian/religious organizations will not be compromised or infringed.

The new regulations ask states to:

- Provide the criteria by which sectarian/religious organizations may be eligible as service providers and/or training facilities,
- Prevent direct use of public money for sectarian/religious purposes, and
- Protect faith-based and sectarian/religious organizations from discrimination.

The need to balance the above factors, while also allowing for participant choice, is met by the federally established distinction between 'direct funding' and 'indirect funding' (20 CFR 667.275). Vermont understands this distinction to mean that:

- Direct DOL support may not be used for inherently religious activities such as worship services or prayer meetings,
- Service providers receiving direct DOL support may offer inherently religious activities such as worship services or prayer meetings only when they are separated in time or location from government funded activities,
- Participation of WIA enrollees in inherently religious activities must be entirely voluntary, and
- These restrictions do not apply when DOL support is received indirectly, such as by means of an Individual Training Account (ITA).

Vermont is currently examining the subject of sectarian/religious activity to develop State policies on the use of religious organizations as training and service providers, and plans to develop a policy in the near future.

Eligible Training Providers: Through the HRIC, The Department of Employment and Training has developed a list of Eligible Training Providers, which is maintained in two formats. The list is posted to the Internet and published in pamphlet form on a regular basis. The pamphlets are distributed to the one-stop centers, libraries and schools statewide.

Regarding performance of eligible training providers, Vermont received a waiver to eliminate the all student tracking provision and instead relies on professional staff knowledge at the local level and the performance of WIA participants to inform potential WIA trainees.

OJT and Customized Training: It is Vermont's intention to increase OJT and customized training opportunities through WIA. This will be a challenge given the current funding constraints, but Vermont is in the process of developing a new service delivery system that will increase concentration on business outreach. This in turn will provide better information to case managers focusing on OJT opportunities in demand and emerging occupational areas.

On-the-job training (OJT) is training in the private or public sector given to a participant who, under agreement, is hired by the employer, with training to occur while the participant is engaged in productive work. Such training is designed to provide knowledge and skills essential to the satisfactory performance of the job. This does not preclude a participant who has been hired by and received OJT from one employer being ultimately placed with another employer. To date customized training has not been done under WIA but has under our state funded Workforce Education and Training Program. We have discovered a critical shortage of CNC machinists in the Chittenden County area and will likely develop policy and procedure for customized training in order to help meet that need.

The Governor believes that jobs are a top priority and that new and incumbent worker training is imperative. In support of this strategy, the Governor's budget includes increases for higher education and funding for two separate training programs while many other areas of state government face budget reductions. There are various state and federal funded vehicles to provide new and incumbent worker training including WIA, state training programs, and federal and state discretionary grants. All options involve the one-stop system to varying degrees depending on the vehicle for training.

OJT and customized training opportunities are identified through a comprehensive outreach program to employers that will be enhanced in future months when DET establishes its new service delivery strategy. Aside from personal business contacts to assess local employer needs, DET's comprehensive labor market analysis provides easily accessible information on growth occupations regionally and statewide, and provides staff with a quick reference related to demand occupations and economically vital industries. This information guides staff and individuals in helping participants make informed decisions about potential OJTs and customized training.

Partnering with high-growth industries such as high-tech and healthcare is a priority in Vermont when developing job-training programs. For example, multiyear initiatives with IBM, the Vermont Information Technology Center, and the Vermont Association of Hospitals and Health Systems has provided for a significant investment in training for new and incumbent workers in businesses and hospitals statewide. This partnering activity has allowed for substantial joint planning and customized curriculums to be developed by education/business partnerships.

Intensive business outreach and subsequent OJT and customized training often results in funding mixes that involve private, state and federal sources. This joint leveraging of funds, which can also include educational institutions, underscores the importance of training throughout the State.

Services to Specific Populations: In March of 2004, DET implemented Vermont JobLink a web-based self-service information system for job seekers and employers. Using VJL, job seekers can access up-to-the minute job opportunities and workforce information from their homes, public libraries, DET resource areas, partner locations, and any other location with Internet access. Our business partners can enter their job listings, manage their accounts and review job seeker resumes. This service is accessible 24 hours per day, seven days per week.

Job seekers who require service beyond self-service can register or be registered by DET staff for employment and training services. The registration process is designed to elicit and capture information concerning a job seekers status as a veteran, a dislocated worker, a migrant or seasonal farmworker, a low income person, a person with one or more disabilities, as well as identifying individual needs and barriers. Using regularly produced or ad hoc reports, management can identify whether and which groups of job seekers may be underserved and redirect the efforts of staff to ensure that the full range of service is provided to all.

Selected unemployment insurance claimants who are identified as likely to exhaust their benefits are called in to regularly scheduled orientation sessions to introduce them to available services. Assessments of individual needs and barriers are scheduled following the orientation and individual employment plans are developed. Plans may include basic services such as placement services, job search workshops or referrals to more intensive services or training.

Selected claimants who do not report for the orientation on reemployment services or subsequently do not participate are reported to staff at the UI centralized claim call center by e-mail. This may result in an issue being created on the individual's claim that could result in a stoppage of payments. Stipulation of

work search requirements for other claimants and follow-up verification of efforts is normally the responsibility of call center staff. Claimants who are not job attached are encouraged to register with JobLink and seek service through the one-stop system.

In its demand driven strategy, Vermont views the integration and alignment of programs as an important component of good customer service. In addition to dislocated worker services, DET's dislocated worker coordinator is responsible for coordinating rapid response and the delivery of Trade Adjustment Assistance services. Six case managers who are based in the one-stop and affiliate centers across the state deliver these services to customers. The case managers, in consultation with the dislocated worker coordinator, make enrollment decisions. Dual enrollments are encouraged when it is beneficial to the participant.

The Governor and the State's workforce system recognize that demographics in the coming years dictate that the entrance of new worker populations, such as those mentioned above, into the workforce is imperative in order to maintain a viable workforce for a growing economy. Joint business, education and workforce system efforts are underway in numerous sectors, including health care and IT, to develop strategies dealing with this issue. For example, a health care summit sponsored by DET and the Vermont Association of Hospitals and Health Systems is scheduled for June to address this and other issues critical to employment in the health care system. To complement these efforts, DET plans to put a renewed emphasis on its employer relations efforts in order to stimulate the use of our one-stop system and to increase employers' understanding and acceptance of the various populations in our current and future workforce.

As previously stated, one-stop services are available to all job seekers. Accessibility to services for individuals with disabilities is facilitated through the use of assistive technologies in our one-stop and affiliate centers.

For veterans, LVER and DVOP staff work closely with ES, WIA, and TAA staff as well as with the staff from partners who are housed in these facilities. LVERs and DVOPs attend regular one-stop staff meetings. These meetings afford them a regular and convenient opportunity to educate one-stop center staff about the special employment and training needs of veterans and other eligible persons and to quickly and easily facilitate the delivery of the necessary intensive and core services. Also, veterans' representatives participate in the development and implementation of DET's on going employer relations program. LVERs and DVOPs arrange for services to veterans, monitor mandated priority of service delivery, and report problems to the respective one-stop manager. Services under this plan

will be provided in accordance with Vermont's approved Jobs for Veterans Act State Plan.

Access to employment and training services for individuals with limited English proficiency is provided through the use of foreign language interpreters. Interpreter services are primarily oral but can and will be written when circumstances so dictate.

As noted earlier, staff from the WIA farmworker grantee organization in Vermont regularly perform outreach to migrant and seasonal farmworkers. As part of our inter-agency agreement, DET provides workspace and computer access to farmworker program staff in our one-stop and affiliate centers. They use our computer database to identify and contact registered individuals who may be eligible for their services. Outreach is also performed by DET's monitor advocate and other CRC staff during employer visits. It is anticipated that 70 MSFW's in need of service will be contacted per year, 45 by the WIA 167 grant and 25 by DET.

DET routinely provides recruitment services to agricultural employers, both through the H-2A temporary foreign labor certification program and through the regular labor exchange. In the summer of 2004, DET operated a youth in agriculture program using a combination of WIA youth and state general funds. This initiative was designed to introduce young people to the career opportunities available in the agricultural industry and to increase the numbers of youth seeking careers in agriculture. DET plans to continue with this effort in the future.

Priority of Service: Vermont has established a close working relationship between DET and the State's TANF agency. This relationship is solidified through a formal annual contract with the state low-income poverty prevention agency that places welfare recipients and low income families in a priority position for one-stop CRC services.

As indicated above, the LVER/DVOP program staff cover all Vermont one-stops to ensure that Veterans receive priority status throughout the one-stop system as outlined in the Jobs for Veterans Act.

Rapid Response Activities

In the event of a significant layoff, the DET Dislocated Worker Unit (DWU) Coordinator or the DLW/TAA staff, or the CRC manager will contact the employer (within 48 hours), the local chief elected official (if there is one), the regional Workforce Investment Board, and a union representative (if applicable) prior to the initial on-site visit. The initial visit with the employer lays out a plan to ensure the process meets both employer and employee needs. For example, Belden CTD

Inc. in Essex, established a plan to close its plant over a several month period. A number of meetings with Rapid Response staff were held to establish logistical strategies to talk to affected workers and ensure business would not be interrupted. This included off-site informational sessions.

Similarly, when a WARN notice is received by the DWU Coordinator, a joint effort with the DLW/TAA staff, the CRC Manager and a UI representative begins.

Once the logistics are worked out with the employer, the other parties listed above are appraised of the situation and encouraged to actively participate in the initial on-site visit, which is designed to provide information concerning services available to workers and to enlist their help in setting up informational meetings. The meetings help determine appropriate services to be provided and to assist in determining the needs and concerns of the workers. This early intervention strategy helps to ensure that dislocated workers who need intensive or training services are identified as early as possible.

During the rapid response informational meeting, a survey is provided to each worker, completed, and returned to the rapid response team at the conclusion of the informational meeting. The results of the survey are compiled and used as a tool to help assess the needs of the workers and to plan strategies to provide appropriate services such as retraining, job development, and referrals to other state or private agencies, including faith based organizations. Currently DET tracks rapid response registration through DET's web-based Vermont Job Link and enrollments into a WIA program, including NEG, through our current main frame system. These MIS systems will be integrated into one system within one year.

Staff, whether State or local, charge their time to a rapid response project code which causes associated personal service, personnel benefits, and allocated non-personal service costs to be charged to rapid response.

Youth

As the Governor indicated in his *Strategic Vision and Business Plan for Job creation and Economic Advancement*, it is imperative that all Vermonters are provided the opportunity to succeed in today's economy.

DET's strategy for comprehensive, integrated services to our neediest youth begins with an eligibility assessment to determine appropriateness, willingness, and readiness for WIA services.

The assessment focuses on a systematic process of gathering information and subsequent decision making. This includes a strategy to help youth analyze themselves and their options in an informed manner. The assessment process comprises an examination of the capabilities, needs, vocational potential, and

barriers to employment. This includes, evaluating the family situation, work history, education, occupational and soft skills, interests, aptitudes, work values and attitude, motivation, behavior patterns, financial resources, and supportive services. In addition, this objective assessment evaluates other services provided to the youth as well as identifies potential services from other partners.

The DET youth advocate and the participant, along with other appropriate service providers, develop goals and an individual service strategy based on the assessment outcomes. Ultimately, the plan will become the foundation for a comprehensive and effective service mix, the focus of which will be work, work readiness or education.

Post assessment options include:

- Provide meaningful work in a well-supervised context that enables trainees to learn marketable skills and good work habits.
- Develop relationships with caring adults who serve as teachers, trainers, counselors, and mentors, committed to assisting each trainee achieve his or her potential and gain the skills available through the program.
- Systematic and extensive attention to improving basic education skills including reading, math, writing, computer, and communication skills, toward the attainment of a high school diploma.
- Effective linkages with the private sector and trade unions providing employment opportunities, and follow-up with both trainees and employers for an extended period after exit with counseling and job development support available.
- Monetary consideration based on individual benchmarks may be utilized to ensure the youth's success in employment and/or post secondary education retention.

To ensure program excellence, staff will attend ongoing seminars, conferences and training related to:

- Drug Court
- Alcohol Abuse
- Child Abuse - Mandatory Reporter Training
- At Risk Youth
- Youth with Disabilities
- IEP Awareness
- Social Worker Program Oversight

DET staff attend other youth program staff meetings in an effort to facilitate discussions on how the various programs can best work together. This includes periodic meetings with Job Corps. In addition, staff from youth organizations are invited to participate in the State "youth team" monthly meetings. These meetings help to better understand the various programs and their respective goals and share information about youth that may be involved with multiple entities.

The State will continue to communicate and support the collaboration among partners to serve our most at-risk youth. Partnerships and working agreements have been established to facilitate the development of innovative models that efficiently and effectively respond to the needs of the most at-risk youth. Collaboration of youth program providers has been greatly enhanced through the HRIC's youth council and the organizations mentioned below. For example, two coordinated programs that center on youth most in need include the Youth Innovative Alignment Program, which focuses on youth with disabilities entering the job market or post-secondary education, and the Young Offender Re-entry Program, which focuses on jobs and schooling for youth leaving the offender population. Both initiatives have multiple partners and both are statewide in scope.

Vermont will continue to work towards the development of alternative education, combining education with employment that leads to post secondary education or full time employment. For example, *A.S.A.P Adolescents, Students and Adult for Progress* is a model program that has been replicated in over three geographic areas. It is a DET collaborative with area schools, adult basic education services, non-profit services agencies, a county-wide mentoring network and a large area employer. It is designed to recover area dropouts and return them to the education system while concurrently helping them prepare to enter the work force.

Another example is the Vermont Youth in Agriculture program, a collaborative comprising State agencies and employers, and which provides at-risk youth with agricultural or natural resource training opportunities for a six to eight week period during the summer.

With these and other initiatives, DET will continue to work with Smokey House Center, VT Youth Conservation Corps, Job Corps, Youth Build, Recycle North, Northern New England Trades Women, and the Youthful Offender Project working with youth that are incarcerated.

Use of statewide reserve funds: At this time, Vermont has no specific plan to utilize reserve funds for youth programs. However, given that at-risk youth are a priority, it is likely that initiatives to serve this population will emerge out of the collaborative processes outlined above.

Youth Program Design:

- An objective assessment will be provided for each youth including a review of the academic and occupational skill levels, as well as the service needs, of each youth.
- Service strategies including an employment goal will be developed for each youth.
- Services and strategies will include but not be limited to preparation for post-secondary educational opportunities, linkages between academic and occupational learning, preparation for employment, and connections to intermediary organizations that provide strong links to the job market and employers.

Business Services

To support the demand-driven, employer focused approach, DET plans to reenergize its employer relations efforts in order to better identify and meet employers' workforce needs. It is anticipated that most or all field staff will be engaged in employer relations training to some degree. In addition, in the six affiliate one-stops, offices will be closed one day per week to walk-in traffic and devoted to employer services. Core labor exchange staff in those areas will be dedicated to employer contacts for purposes of discussing business needs and validating the results of referrals to jobs. This renewed effort will be carried out throughout the week in the other six CRC areas.

Employers, particularly those relocating or expanding into an area, will be encouraged to use DET facilities for their recruitment and interviewing activities. Efforts are also underway to better coordinate employer contacts among one-stop partners, including economic development, vocational rehabilitation, TANF, etc. Local HRIC sub-boards will be instrumental in advancing these initiatives.

Administration of the Work Opportunity and Welfare to Work Tax Credit Program has been streamlined by centralizing it in the DET central office in Montpelier. Core labor exchange staff will emphasize the tax credits when making employer contacts.

Innovative Service Delivery Strategies

In order to maximize resources and gain needed efficiencies, DET has undergone a major change in its service delivery strategy. This has been accomplished by moving direct supervision of youth WIA Title I intensive and training services case managers from the one-stop and affiliate center managers to a program manager who is based in the central office in Montpelier. Also, to

optimize use of staff time and customer service, case managers who specialize in WIA adult (6 staff), youth (8 staff) or dislocated worker (7 staff) programs will travel among the centers to work with individuals by appointment (The reporting strategy and staff mix remains in flux at this time as reorganization has not been finalized). The dislocated worker staff also provide TAA services. The new service delivery strategy will ensure that staff have a better understanding and increased focus on the objectives and requirements of their particular area of responsibility, thereby maximizing performance.

Strategies for faith based and community organizations

Vermont is engaged in improving the partnership building and coordination between Vermont One Stop Career Resource Centers, Workforce Investment Boards (WIBs) and Faith-Based / Community-Based Organizations (FBO/CBOs.)

Goals:

- To ascertain what One Stops and WIBs have historically done with FBO/CBOs and what they are currently doing with these organizations;
- To develop a process to inform FBO/CBOs about the Workforce Investment Act and the activities of one stops, WIBs and Youth Councils;
- To develop/enhance a process to engage the FBO/CBO community in one stop / WIB work;
- To develop a process that informs state workforce partners, the regional office and the national office about Vermont's work with and benefits from FBO/CBOs;

Responsible Parties:

- Staff in the Commissioner's Office at the Vermont Department of Employment and Training (DET) will oversee the plan development and implementation.
- Staff affiliated with the State's Human Resources Investment Council (HRIC) will survey local WIBs for information on existing relationships with FBO/CBOs.
- Staff affiliated with the HRIC will also review WIB membership in order to determine current/planned level of representation from FB/CB Community.
- Staff in DET's one stop Career Resource Centers in concert with the Jobs and Training Division's central office will ascertain local utilization of FBO/CBO services in relationship to the Career Resource Centers

Outcomes:

- Charts will be compiled that show WIB and one stop involvement, past and present, with FBO/CBOs.
- Once analyses are completed, benchmarks will be established for increasing involvement of FBO/CBOs in workforce development process.
- A determination will also be made about whether WIA training sessions are needed for community partners.

X. State Administration

Technology Infrastructure

As previously discussed, Vermont has implemented Vermont JobLink, a web based self-service and case management system for the labor exchange and reemployment services. A target date of July 1, 2005, has been set for putting the WIA Title I and TAA case management and reporting modules as well as the fiscal management module into production. Reporting requirements will be met using the Data Analysis and Reporting Tool (DART). JobLink and DART are developed and maintained by America's Job Link Alliance, an information technology organization in Topeka, Kansas. Once the transition to JobLink from our legacy mainframe systems has been successfully completed, we plan to market JobLink to other partners in the one-stop system such as Vocational Rehabilitation and SCSEP.

Reserve Funds

Vermont, as required, will use the funds reserved for statewide activities for rapid response, maintaining and disseminating a list of eligible training providers, conducting evaluations in conjunction with the Human Resource Investment Council, providing technical assistance where performance goals have not been met, continued operation of the one-stop delivery system, providing additional assistance to areas with high concentrations of eligible youth, and operating a fiscal and management accountability information system.

Additionally, funds will be used for administration of the adult, dislocated worker and youth programs. Funds may also be used for innovative incumbent worker training, training for displaced homemakers and non-traditional training, staff development, carrying out adult, dislocated worker and youth activities, and preparation and submission of the annual performance progress report. Generally, Displaced homemakers are identified as dislocated workers in the registration and initial assessment process although they would not necessarily be reported as

dislocated workers. If they are served under WIA Title I it would likely be as an adult.

Waivers

Pursuant to TEGL 14-04, regarding planning guidance for state WIA plans, Vermont requested an extension of its current waivers for two WIA provisions. The waivers were originally granted on January 23, 2002, and include:

1. Competitive selection requirements for providers of youth services (Sec. 123); and
2. Subsequent eligible training provider requirements; all student reporting (Sec. 122(d)(1)(A)(1) and 20 CFR 663.535 (c)(1).

The rationale for the waivers, approved by the Human Resources Investment Council, centers on Vermont's rural nature and the fact that there are not enough service providers to make competitive bidding for most youth services cost efficient. Likewise, a large number of eligible training providers for adult services indicate that the WIA enrollment numbers are too small for an investment in a WIA data collection system for all students. These waivers have assisted the State in developing a more efficient and cost effective workforce system and provided a wider range of options for Vermonterers.

The Governor received approval of this request from Assistant Secretary DeRocco on April 8, 2005, extending our current waivers through June 30, 2007.

Performance Management Accountability

Because Vermont is a single workforce investment area state, its state level goals and performance measures are also the local measures. To measure progress against the goals for the system, we use the same measures that the USDOL uses to measure our performance, award incentive grants and impose sanctions. Levels that are subsequently approved by the HRIC are negotiated with USDOL and are based on the best available current outcome data at the time of negotiation, with a built in degree of improvement. Within the context of a performance management system, Vermont tracks all the applicant groups that it is required to track.

Most DET funding streams provide Vermont with the small state minimum level of funding and, as a result, we do not enjoy the level of administrative overhead that would be required to create and track additional performance indicators. However, a future enhancement to the Data Analysis and Reporting Tool (DART) will be Stonefield Query. This software should increase our capacity for

creating ad hoc reports and may lead us to consider the establishment of additional performance indicators.

As previously stated, Vermont plans to use Vermont JobLink as its common data system and DART as its tool. We do not currently collect data from one stop partners beyond that required by DOL. Social Security numbers of job seekers and WIA and TAA participants are matched against Vermont wage record data and also submitted to the Wage Record Interchange System (WRIS). Vermont is also participating in the Federal Employment Data Exchange System (FEDES). To identify wages paid by the Office of Personnel Management, the Department of Defense and the United States Postal Service.

When business member vacancies occur on the statewide workforce investment board, the Governor and board will make every effort to attract new members with a demonstrated involvement in the workforce development arena and a strong interest in helping to meet the needs of job seekers and employers.

Vermont uses the same outcome measures used by the USDOL to evaluate its performance and corrective action is taken as appropriate.

Vermont is an America's Job Link Alliance subscriber and as such uses the Data Analysis and Reporting Tool (DART) to produce its required reports. When the common measures go into effect, DART will be programmed to report accordingly.

Administrative Provisions

In reference to Sec. 116(a)(5), Vermont's population is such that designation other than as a single workforce area state would be impractical.

Successful implementation of its Methods of Administration ensures that Vermont has established policies, procedures and systems in the administration, management and operation of programs that provide a reasonable guarantee of compliance with Federal nondiscrimination and equal opportunity laws and requirements.

XI. Assurances

Please see the signed Guidance document: *Program Administration Designees and Plan Signatures*, which is being sent by mail with the Governor's original signature. As indicated on the form, the Governor's signature ensures program operation is in accordance with the following assurances.

1. The State assures that it will establish, in accordance with

section 184 of the **Workforce Investment Act**, fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through the allotments made under sections 127 and 132. (Sec. 112(b)(11).)

2. The State assures that it will comply with section 184(a)(6), which requires the Governor to, every two years, certify to the Secretary, that--

a. The State has implemented the uniform administrative requirements referred to in section 184(a)(3);

b. The State has annually monitored local areas to ensure compliance with the uniform administrative requirements as required under section 184(a)(4); and

c. The State has taken appropriate action to secure compliance with section 184 (a)(3) pursuant to section 184(a)(5). (Sec. 184(a)(6).)

3. The State assures that the adult and youth funds received under the **Workforce Investment Act** will be distributed equitably throughout the State, and that no local areas will suffer significant shifts in funding from year to year during the period covered by this Plan. (Sec. 112(b)(12)(B).)

4. The State assures that veterans will be afforded employment and training activities authorized in section 134 of the **Workforce Investment Act**, and the activities authorized in chapters 41 and 42 of title 38 U.S. code. The State assures that it will comply with the veterans priority established in the Jobs for Veterans **Act**. (38 U.S.C. 4215).)

5. The State assures that the Governor shall, once every two years, certify one local board for each local area in the State. (Sec. 117(c)(2).)

6. The State assures that it will comply with the confidentiality requirements of section 136(f)(3).

7. The State assures that no funds received under the **Workforce Investment Act** will be used to assist, promote, or deter union organizing. (Sec. 181(b)(7).)

8. The State assures that it will comply with the nondiscrimination provisions of section 188, including an assurance that a Methods of Administration has been developed and implemented (Sec. 188.)

9. The State assures that it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of

section 188. (Sec. 185.).

10. The State assures that it will comply with the grant procedures prescribed by the Secretary (pursuant to the authority at section 189(c) of the **Act**) which are necessary to enter into grant agreements for the allocation and payment of funds under the **Act**. The procedures and agreements will be provided to the State by the ETA Office of Grants and Contract Management and will specify the required terms and conditions and assurances and certifications, including, but not limited to, the following:

General Administrative Requirements:

[cir] 29 CFR part 97--Uniform Administrative Requirements for State and Local Governments (as amended by the **Act**).

[cir] 29 CFR part 96 (as amended by OMB Circular A-133)--Single Audit **Act**.

[cir] OMB Circular A-87--Cost Principles (as amended by the **Act**).

Assurances and Certifications:

[cir] SF 424 B--Assurances for Non-construction Programs.

[cir] 29 CFR part 37--Nondiscrimination and Equal Opportunity Assurance (and regulation) 29 CFR 37.20.

[cir] CFR part 93--Certification Regarding Lobbying (and regulation).

[cir] 29 CFR part 98--Drug Free Workplace and Debarment and Suspension Certifications (and regulation).

Special Clauses/Provisions:

Other special assurances or provisions as may be required under Federal law or policy, including specific appropriations legislation, the **Workforce Investment Act**, or subsequent Executive or Congressional mandates.

11. The State certifies that the Wagner-Peyser **Act** Plan, which is part of this document, has been certified by the State Employment Security Administrator.

12. The State certifies that veterans' services provided with Wagner-Peyser **Act** funds will be in compliance with 38 U.S.C. chapter 41 and 20 CFR part 1001.

13. The State certifies that Wagner-Peyser **Act**-funded labor exchange activities will be provided by merit-based public employees in accordance with DOL regulations.

14. The State assures that it will comply with the MSFW significant

office requirements in accordance with 20 CFR part 653.

15. The State certifies it has developed this Plan in consultation with local elected officials, local **workforce** boards, the business community, labor organizations and other partners.

16. As a condition to the award of financial assistance from the Department of Labor under title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

--Section 188 of the **Workforce Investment Act** of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA title I--financially assisted program or activity;

--Title VI of the Civil Rights **Act** of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;

--Section 504 of the Rehabilitation **Act** of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

--The Age Discrimination **Act** of 1975, as amended, which prohibits discrimination on the basis of age; and

-- Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

The grant applicant also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA title I--financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIA title I--financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

17. The State assures that funds will be spent in accordance with the **Workforce Investment Act** and the Wagner-Peyser **Act** and their regulations, written Department of Labor Guidance implementing these laws, and all other applicable Federal and State laws and regulations.

Guidance Attachment C. Performance Indicators

| WIA requirement at section 136(b) | GPRA | Performance goals | |
|---|--------|-------------------|----------|
| | | PY 2005 | PY 2006 |
| Adults: | | | |
| Entry into Unsubsidized Employment | 76% | 76% | 76% |
| 6-Months Retention in Unsubsidized Employment | 86% | 84% | 85% |
| 6-Months Earnings received in Unsubsidized Employment | \$3400 | \$3000 | \$3200 |
| Attainment of Educational or Occupational Skills Credential | ----- | 65% | 65% |
| | | | |
| Dislocated Workers: | | | |
| Entry into Unsubsidized Employment | 83% | 78% | 80% |
| 6-Months Retention in Unsubsidized Employment | 92% | 88% | 90% |
| 6-Months Earnings received in Unsubsidized Employment | ----- | - \$4500 | - \$4500 |
| Attainment of Educational or Occupational Skills Credential | ----- | 60% | 60% |
| | | | |
| Youth Aged 19-21 | | | |
| Entry into Unsubsidized Employment | 69% | 69% | 69% |
| 6-Months Retention in Unsubsidized Employment | 80% | 80% | 80% |
| 6-Months Earnings received in Unsubsidized Employment | ----- | \$2400 | \$2400 |
| Attainment of Educational or Occupational Skills Credential | ----- | 50% | 50% |
| | | | |
| Youth 14-18 | | | |
| Attainment of Basic, Work Readiness and/or Occupational Skills | ----- | 80% | 80% |
| Attainment of Secondary School Diplomas/Equivalents | 53% | 53% | 53% |
| Placement and Retention in Post-Secondary Education/Training, or Placement in Military, employment, Apprenticeships | ----- | 62% | 62% |
| | | | |
| Customer Satisfaction | | | |
| Participant | ----- | 78 | 78 |
| Employer | ----- | 75 | 75 |

Performance goals for PY's 2005 and 2006 have been set at levels that we believe are high enough to require deliberate efforts to fully meet or exceed. They are consistently based on considerations of past performance (Vermont and/or national) and the established GPRA goals as published.

Guidance Attachment D. for Single State Workforce Areas

I. Local Plan Submission

See VIII, under Plan Development Process, page 36

II. Plan Content

A. Plan Development Process:

1. See VIII, under Plan Development Process, page 36
2. No comments were received during the public comment period, which included a Website posting, distribution to partners and HRIC members, and newspaper announcements.

B. Services:

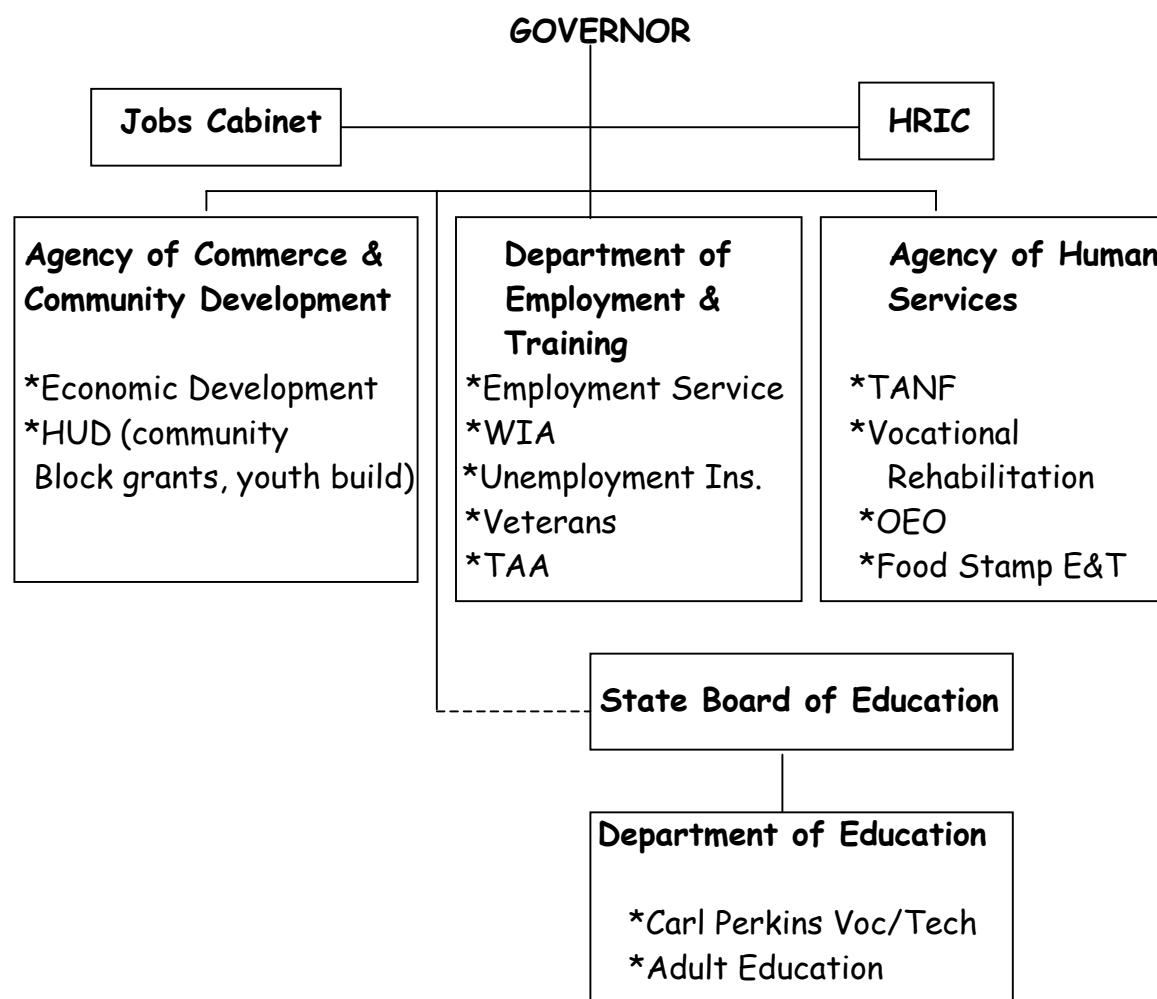
- 1: See VII and VIII pages 34 and 35 respectively
- 2: See IX, page 41

C. System Infrastructure

Vermont is a single workforce investment area state. The Human Resource Investment Council serves as both the state and local workforce investment board. The Vermont Department of Employment & Training is the entity responsible for the disbursement of grant funds.

The Department of Employment & Training has adopted the contract procurement provisions of the State of Vermont's Administrative Bulletin 3.5 for its WIA grant procurement with the exception of Sections VII B and VII C as prior approval from the Attorney General or Secretary of Administration are not required for grants.

ORGANIZATIONAL CHART Public Workforce System



The agencies whose programs are listed above collaborate formally through the Governor's Jobs Cabinet and the Human Resources Investment Council (the state workforce investment board). Combined, the Jobs Cabinet and the HRIC work to ensure that issues relating to workforce and economic development are addressed in the most comprehensive, efficient, cross-agency manner. In addition, the individual programs represented on the organizational chart have memorandums of understanding with the HRIC that ensures collaboration and cooperation among service providers. In some cases, there are formal contracting arrangements for co-case managing among the programs.

HUMAN RESOURCES INVESTMENT COUNCIL

| <i>Name/Title</i> | <i>Business</i> | <i>Address</i> | <i>Phone/Fax/ E-Mail</i> |
|--|--|--|---|
| <u>Chair</u> *Tom Leever | <u>Human Resources Investment Council</u> | <u>173 AsaGrout Lane</u> Perkinsville, VT 05151 | <u>(H) 263-9522 & (F) do123</u> tomleever@tds.net |
| <u>Executive Director</u> *Chip Evans | <u>Human Resources Investment Council</u> | <u>P.O. Box 488</u> Montpelier, VT 05601-0488 | <u>(W) 828-4156 (F) 828-4050</u> cevans@hric.state.vt.us |
| <u>Administrative Asst.</u> Denise Bergeron | <u>Human Resources Investment Council</u> | <u>P.O. Box 488</u> Montpelier, VT 05601-0488 | <u>(W) 828-4349 (F) 828-4050</u> dbergeron@hric.state.vt.us |
| <u>Business/Employer</u> | | | |
| *Gerald Brown President | National Council for Performance Excellence | 239 Tall Pines Lane Stowe, VT 05672 | (H) 253-4516 (W) 655-1922 (F) 655-1932 jerry@performanceexcellence.com |
| Andy Crossman, Director of Manufacturing Excellence | Wyeth Pharmaceuticals | 1736 Hathaway Point Road St. Albans, VT 05478 | (W) 518-297-5700 (F) 518-297-1122 crossma@wyeth.com |
| Daniel Kurzman Plant Manager | Beecher Falls Division of Ethan Allen Inc. | P.O. Box 217 Beecher Falls, VT 05902 | (W) 266-3355 (F) 266-3680 dkurzman@ethanalleninc.com |
| Maynard McLaughlin President/Owner | Breadloaf Construction Corp. | 1293 Route 7 South Middlebury, VT 05753 | (W) 388-9871 (F) 388-3815 mmclaughlin@breadloaf.com |
| David Nourse Vice-President | Chittenden Bank Comm. & Agri. Bus. Banking | P.O. Box 389 Middlebury, VT 05753 | (W) 388-6316 (F) 388-3305 dnourse@chittenden.com |
| Frank Cioffi President | Greater Burlington Ind. Corp. Cynosure, Inc. | 60 Main Street Burlington, VT 05401 | (W) 862-5726 x12 (F) 860-1899 frank@vermont.org |
| Diane Davis, Senior VP of Human Resources & Risk Mgt. | Killington Ltd. | 4763 Killington Road Killington, VT 05751-9708 | (W) 422-3333 (F) 422-6294 ddavis@killington.com |
| Neil H. Gruber Administrator | Helen Porter Healthcare and Rehabilitation Center | 30 Porter Drive Middlebury, VT 05753 | (W) 388-4001 (F) 388-3474 ngruber@hphrc.org |
| Phil Hammerslough | VABIR/DBVI | 108 Cherry Street, Ste 202 Burlington, VT 05401 | (W) 657-4238 phil.hammerslough@dail.state.vt.us |
| Peter Kreisel CPA | Peter Kreisel, LLC | 106 High Point Center Colchester, VT 05446 | (W) & (F) 655-0681 peter@kreiselsegear.com |
| Stephen P. Marsh President & COO | Community National Bank | P.O. Box 259 Derby, VT 05829 | (W) 334-7915 (F) 334-3484 smarsh@communitynationalbank.com |
| Rick Milliken V.P. & General Manager | The Clarion Hotel | 1117 Williston Road South Burlington, VT 05403 | (W) 660-7503 (F) 660-7533 rickmilliken@clarionvermont.com |
| *John O'Kane, Manager Corp. Comm. Rel. & Gov't Aff. | IBM Corporation | 9653K, 1000 River Street Essex Jct., VT 05452 | (W) 769-3627 (F) 769-3865 jokane@us.ibm.com |
| Richard Palmisano President & CEO | Retreat Healthcare | P.O. Box 803 Anna Marsh Lane Brattleboro, VT 05302 | (W) 258-3710 (F) 258-3796 rpalmisano@retreathealthcare.org |
| James T. Rude | | 62 Plateau Road Williston, VT 05495 | (H) 879-3379 jamesmgtconsult@aol.com |
| *Fran Voigt Chief Executive Officer | New England Culinary Institute | 250 Main Street Montpelier, VT 05602-9720 | (W) 225-3207 (F) 225-3280 franv@neci.edu |

| <i>Name/Title</i> | <i>Business</i> | <i>Address</i> | <i>Phone/Fax/ E-Mail</i> |
|------------------------------------|--|---|---|
| A. Agency/Higher Ed | | | |
| Debra Bergeron Program Director | Abenaki Self Help | P.O. Box 276, Grand Ave. Swanton, VT 05488 | (W) 868-2559 (F) 868-5118 ashai@adelphia.net |
| *Robert Clarke Chancellor | Vermont State Colleges | Park Street, Stanley Hall Waterbury, VT 05676 | (W) 241-2520 (F) 241-3369 clarker@quark.vsc.edu |
| Wendy Koenig President | Association of Vermont Independent Colleges | 29 Ethan Allen Avenue Dupont Hall, Suite 307-309 | (W) 654-2830 (F) 654-2835 wkoenig@vermont-icolleges.org |

| | | | |
|-------------------------------------|---|---|---|
| | | Colchester, VT 05446 | |
| Pat Elmer Executive Director | Vermont Associates for Training & Development, Inc. | P.O. Box 107 St. Albans, VT 05478 | (W) 524-3200 (F) 524-9933 pelmer@det.state.vt.us |
| *Patricia McDonald Commissioner | Department of Employment & Training | P.O. Box 488 Montpelier, VT 05601-0488 | (W) 828-4301 (F) 828-4181 pmcdonald@det.state.vt.us |
| Mike Smith Secretary | Agency of Human Services | 103 South Main Street Waterbury, VT 05671-0201 | (W) 241-2220 (F) 241-2979 mike.smith@state.vt.us |
| Richard Cate Commissioner | Department of Education | 120 State Street Montpelier, VT 05620-2501 | (W) 828-3135 (F) 828-3140 richardcate@education.state.vt.us |
| Kevin Dorn Secretary | Agency of Commerce & Community Development | National Life Drive Montpelier, VT 05602 | (W) 828-5204 (F) 828-5606 kevin.dorn@state.vt.us |
| Daniel Fogel President | University of Vermont | 350B Waterman Building Burlington, VT 05405 | (W) 656-3186 (F) 656-1363 president@uvm.edu |
| Donald Vickers President/CEO | VSAC | Champlain Mill P.O. Box 2000 Winooski, VT 05404 | (W) 655-9602 (F) 654-3765 vickers@vsac.org |
| Chris Kuhn Director | Northlands Job Corps Center | 100 MacDonough Drive Vergennes, VT 05491 | (W) 877-0166 (F) 877-0394 kuhn.chris@jobcorps.org |
| B. Labor | | | |
| Ron Rabideau Secretary Treasurer | Teamsters Local 597 | 149 Quarry Hill Road P.O. Box 277 South Barre, VT 05670 | (W) 476-4159 (F) 476-4150 local597vt@charterinternet.com |
| Roy Vestrich President | United Professions of Vermont American Federation of Teachers | 156 College Street Burlington, VT 05401 | (W) 658-3113 royv@upvaft.org |
| Tom Whitney | American Federation of State, County, and Municipal Employees | 1179 East Street Brookfield, VT 05036 | (W) 276-3126 brkfield@aol.com |
| C. Legislators | | | |
| V. House | | | |
| Representative Kathleen Keenan | Northwestern Medical Center | 8 Thorpe Avenue St. Albans, VT 05478 | (H) 524-5013 kkeen@leg.state.vt.us |
| Representative Ira Trombley | | 94 Pearl Street Grand Isle, VT 05458 | (H) 372-4030 itrombley@leg.state.vt.us |
| VI. Senate | | | |
| Senator Donald E. Collins | | 23 Broadway Street Swanton, VT 05488 | (H) 868-7975 (F) 868-9816 dcollins@leg.state.vt.us |
| Senator Kevin J. Mullin | Vermont Roots | 105 East Pittsford Road Rutland, VT 05701 | (H) 775-7631 (W) 747-3312 (F) 773-0938 kjmbjm@aol.com |
| D. Low Income | | | |
| Hal Cohen Executive Director | Central VT Community Action Council, Inc. | 195 US RT 302 – Berlin Barre, VT 05641 | (W) 479-1053 (F) 479-5353 hcohen@cvcac.org |
| Governor's Office | | | |
| Governor James Douglas | Governor's Office | Pavilion Building 109 State Street Montpelier, VT 05609 | (W) 828-3333 (F) 828-3339 lestyn.mattison@state.vt.us |

*executive committee member

March 17, 2005

STATE OF VERMONT

Executive Department

EXECUTIVE ORDER

WHEREAS, it is essential to the proper operation of government that public officers be independent and impartial; that governmental decisions and policy be made fairly and impartially, on the merits of the matter at issue; that public office not be used for private gain other than the remuneration provided by law; and that there be public confidence in the integrity of government; and

WHEREAS, there is a risk that the attainment of one or more of these ends may be impaired whenever a conflict exists between the private interests of a public officer and his or her official responsibilities; and

WHEREAS, it is also essential to the proper operation of government that those best qualified not be discouraged from serving as public officers by requiring them to relinquish totally the opportunity to further their own interests, at least where such interests do not create irreconcilable conflicts with their official responsibilities; and

WHEREAS, both the public and private sectors of Vermont are enriched by the healthy exchange of individuals who have hands-on knowledge and work experience in both the public and private sectors.

NOW, THEREFORE, an Executive Code of Ethics effectively ensures fairness and impartiality in the conduct of state business while at the same time, encouraging the recruitment and retention of those best qualified to serve the state and ought to be reaffirmed and continued.

BE IT RESOLVED THAT I, James H. Douglas, by virtue of the authority vested in me as Governor, do hereby promulgate the following Executive Code of Ethics.

Except where otherwise provided by law, all gubernatorial Appointees of the executive branch shall be subject to provisions of this Executive Order. Nothing in this Executive Order shall exempt an Appointee from any other requirement of law or any duly adopted state personnel policy.

To assure adherence to this code, all current Appointees are asked to sign the acknowledgment attached hereto as Exhibit A and submit it to the Secretary of Civil and Military Affairs (the Secretary). All future Appointees will be asked to sign and submit the acknowledgment upon acceptance of their appointments.

The Secretary has the authority to interpret the provisions of this code as they relate to particular circumstances and to issue exemptions from the Code under special circumstances. All such interpretations and exemptions shall be written and kept by the Secretary in the same manner as the Conflict Questionnaires.

I. Definitions

As used in this Executive Order:

A. Appointee means any exempt employee or any member of any Public Body appointed by or upon the approval of the Governor, or by or upon the approval of such an Appointee.

B. Appearance of a conflict of interest as used below in §§ III (A) (2) and (7) means the impression that a reasonable person might have, after full disclosure of the facts, that an Appointee's judgment might be

significantly influenced by outside interests, even though there is no actual conflict of interest.

C. Conflict of interest means a significant interest, of an Appointee or such an interest, known to the Appointee, of a member of his or her immediate family or household or of a business associate, in the outcome of any particular matter pending before the Appointee or his or her Public Body.

D. Full-time Appointee means any Appointee receiving a full-time salary for state service.

E. Private Entity is any person, corporation, partnership, joint venture or association, whether organized for profit or not for profit, except those specifically chartered by the State of Vermont or which relies upon taxes for at least 50 percent of its revenues.

F. Public Body means any agency, department, division or office and any board or commission of any such entity, or any independent board or commission, in the executive branch of the state.

II. General Conduct

An Appointee must conduct the affairs of his or her office in such a manner as to instill public trust and confidence.

A. Thus, an Appointee shall take all reasonable steps to avoid any action or circumstances, whether or not specifically prohibited by this code, which might result in:

- (1) Undermining his or her independence or impartiality or action;
- (2) Taking official action on the basis of unfair considerations;
- (3) Giving preferential treatment to any private interest on the basis of unfair considerations;
- (4) Giving preferential treatment to any family member or member of the Appointee's household;
- (5) Using public office for the advancement of personal interest;
- (6) Using public office to secure special privileges or exemptions; or
- (7) Affecting adversely the confidence of the public in the integrity of state government.

B. Every Appointee shall be true and faithful to the State of Vermont; will not, directly or indirectly, do any act or thing injurious to the Constitution or Government of the State of Vermont; will faithfully execute the office which he or she holds; and will therein do equal right and justice to all men and women, to the best of his or her judgment and ability, according to law. [VT. Const., Ch 11, §56]

C. Appointees shall always treat each other, employees, staff, volunteers, and the public with dignity, respect and courtesy.

D. Appointees shall support efforts to create and maintain a diverse and effective work force.

E. Every Full-time Appointee shall devote all of his or her work time to the duties of his or her office.

F. An Appointee shall not use state property nor permit others to use state property unless the use is reasonably related to his or her official responsibilities or the conduct is permitted pursuant to a duly adopted state or agency personnel policy.

G. An Appointee shall not enter into any commitment to expend state funds unless the expenditure is

reasonable and valuable to the state and made in accordance with all applicable statutes, rules or directives from the Secretary of the Agency of Administration.

H. An Appointee shall be in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont. An Appointee shall be in good standing with respect to, or in full compliance with a plan to pay, any and all child support obligations.

Page 3 of 6

I. Exemptions sought under this Code shall be issued only to further the twin goals of this Code; to establish high standards of ethical conduct for all Appointees and to encourage those Vermonters best qualified to serve in state government.

III. Personal Interests, Outside Employment, and Financial Activities

A. Ethical Rules While in State Employ:

(1) No Full-time Appointee shall be the owner of, or financially interested, directly or indirectly in any Private Entity or Private Interest that is subject to the supervision of his or her respective department or agency, except as a policyholder in an insurance company or a depositor in a bank. (3 VSA 204). For the purpose of this Executive Order, a direct or indirect financial interest excludes:

(i) any insignificant interest held individually or by a member of the Appointee's immediate household or by a business associate, or

(ii) any interest which is no greater than that of other persons who might be generally affected by the agency's or department's supervision.

(2) An Appointee shall not take any action in any particular matter in which he or she has either a conflict of interest or the appearance of a conflict of interest, until such time as the conflict is resolved.

(3) An Appointee shall not take any official action that materially advances the interest of any entity (except the State of Vermont) with which the Appointee is actively seeking employment.

(4) A Full-time Appointee shall not, for pecuniary gain, be an advocate for any private entity in any matter before any Public Body or before the state legislature or its committees.

(5) An Appointee, while in state employ, shall not solicit or receive any payment, gift, or favor based on any understanding that it may influence any official action.

(6) An Appointee shall not solicit or receive any payment, gift or favor from any private interest which;

(i) has, or seeks to obtain, contractual or other business or financial relationships with the Appointee's Public Body;

(ii) conducts business or activities that are regulated by the Appointee's Public Body; or

(iii) has an interest that may be substantially affected by the Appointee's official actions.

(7) An Appointee, or his or her designee, shall not accept gifts or trips from private interests if the gifts or trips are (i) a *quid pro quo*; (ii) are intended to influence any decision by the Appointee; or (iii) create an appearance of a conflict of interest.

(8) Absent specific law requiring disclosure, an Appointee shall not disclose to any private entity any

confidential or privileged information obtained while in state employ.

(9) An Appointee or his or her family shall not trade in stock or otherwise transact private business based upon information obtained by the Appointee through his or her work on behalf of the state.

B. Ethical Rules After State Employ:

(1) For one year after leaving office, a former appointee shall not, for pecuniary gain, be an advocate for any private entity before any public body or before the state legislature or its committees, regarding any particular matter:

(i) in which the state is a party or has a direct and substantial interest; and

(ii) in which the appointee had participated personally and substantively while in state employ.

This prohibition applies to any matter the Appointee directly handled, supervised or managed, or gave substantial input, advice or comment, or benefited from, either through discussing, attending meetings on, or reviewing materials prepared regarding the matter.

(2) For one year after leaving office, a former full-time appointee shall not, for pecuniary gain, be an advocate for any private entity before any public body or before the state legislature or its committees, regarding any particular matter in which the appointee had exercised any official responsibility.

IV. Reports

Within thirty days of appointment and thereafter annually on June 30, every Appointee who earns \$30,000 or more per year shall file with the Secretary a Ethics Questionnaire as prescribed in Exhibit B. These questionnaires shall be treated as confidential personnel documents as defined by 1 VSA §317 (b) (7) and kept as such during the gubernatorial administration in which the Appointee serves, or for one year after the Appointee leaves office, whichever first occurs, at which point they will be destroyed.

V. Enforcement

The purpose of this Executive Code of Ethics is to provide guidance to gubernatorial Appointees covered herein, and during such appointment, except as otherwise required by law, only the Governor or his designated agent shall have the power to sanction any violations hereof. Nothing in this code shall create a right to continue state employment. The remedy for a violation of post-employment restrictions set forth in Section III(B) shall rest with the Public Body before which the former Appointee appears and, barring unusual circumstances, shall result only in disqualifying the former Appointee from appearing or participating in the particular matter.

VI. Effective Date

This Executive Order takes effect upon signing, and except as otherwise required by law, supersedes and replaces Executive Order #04-00, dated June 13, 2000.

Witness my name hereunto subscribed and the Great Seal of the State of Vermont hereunto affixed at Montpelier this ____ day of September, 2003.

James H. Douglas

Governor

By the Governor:

Neale F. Lunderville

Secretary of Civil and Military Affairs

Executive Order No. 10-03

STATE OF VERMONT

Executive Department

Executive Order No. 10-03

Exhibit A

ACKNOWLEDGEMENT

_____, hereby acknowledge having received and read

Executive Order 10-03, the Executive Code of Ethics, promulgated on September 13,

2003, and agree to adhere to it.

Date: _____ Signature: _____

Name (print): _____

A- 1

STATE OF VERMONT

Executive Department

Executive Order No. 10-03

Exhibit B

ETHICS QUESTIONNAIRE

In accordance with the Executive Order No. 10-03, Executive Code of Ethics, every gubernatorial appointee as defined therein, who earns \$30,000 or more per year, shall fill out and file this questionnaire annually, on or by June 30, with the Secretary of Civil and Military Affairs. This questionnaire shall be treated as a confidential

personnel document pursuant to 1 V.S.A. §317 (b) (7) and kept as such during the gubernatorial administration in which the appointee serves, or for one year after the appointee leaves office, whichever occurs first.

The purpose of this questionnaire is to determine any significant personal interests of gubernatorial appointees that might conflict with the best interests of the state. It is understood that individuals serving the state as gubernatorial appointees may have pecuniary interests that may relate to matters arising in the course of their performance of the official responsibilities. Gubernatorial appointees should, whenever possible, avoid conflicts of interest and, where they do occur, make them clearly evident.

In answering questions, please disclose not only your own direct interests but also any indirect or beneficial interests which could arise through members of your immediate family (spouses, dependent children) or through persons who reside in your home or by reason of a trust or partnership arrangement in which you or a member of your immediate family or household participates or has an interest.

(Use reverse side to give additional information, if necessary.)

1. Are you, your spouse, or a member of your immediate family the director, officer, partner or employee of any enterprise that, to your knowledge, does business or has a financial relationship with the state? If yes, please list all such positions.

Yes _____ No _____

2. Except for securities that are listed on a national exchange, do you own directly, indirectly, or beneficially, securities, options, or rights to purchase securities or share in profits of companies, to your knowledge, doing business with the state? If yes, list company and percent of total shares.

Yes _____ No _____

3. Do you directly, indirectly or beneficially, have any ownership interest in a proprietorship, partnership, or syndicate that, to your knowledge, operates any business which does business with the state? If yes, explain briefly.

Yes _____ No _____

Does there currently exist any creditor-debtor relationship between you, directly or indirectly, and any non-financial organization, to your knowledge, doing business with the state, except normal charge accounts and installment purchase accounts? If yes, explain briefly.

Yes _____ No _____

5. Are you receiving commissions or any forms of compensation, gift or reward on business transacted with the state either directly or through a third person? If yes, explain briefly.

Yes _____ No _____

6. In addition to the information reported above, do you have any direct or indirect business relationships which may reasonably be considered to have some influence on your judgment and decisions involving transactions with the state, or otherwise during the performance of your duties and responsibilities as a gubernatorial appointee? If yes, explain briefly.

Yes _____

7. Are you in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont? If no, explain.

Yes _____ No _____

8. If you are under an obligation to pay child support, are you in good standing with respect to that obligation?

Yes _____ No _____

If no, have you entered into a payment plan with the Vermont Office of Child Support and are you in full compliance with that payment plan?

Yes _____ No _____

I agree to disassociate myself from situations where possible conflicts of interest pertaining to any matter addressed in this questionnaire might occur, when requested by the Governor or his or her representative, the Secretary of Civil & Military Affairs.

To the best of my knowledge, the answers to all of the above questions are true and complete in every respect.

Date: Signed: _____

Please print:

Name: _____

VERMONT DEPARTMENT OF EMPLOYMENT AND TRAINING

***PROCEDURES FOR GRIEVANCES OR COMPLAINTS
RELATING TO TITLE I-B OF THE WORKFORCE INVESTMENT ACT OF
1998***

Introduction

Each workforce investment area designated under Title I-B of the Workforce Investment Act of 1998 (WIA), such as the State of Vermont, must establish and maintain a procedure for grievances/complaints (hereafter called complaints) as outlined in Sec. 181(c). This includes program complaints involving the proper application of WIA Title I-B and its regulations and policies, but not complaints related to discrimination, which are guided by WIA Sec. 188 and shall be referred to the DET Human Resources Administrator. All references to WIA in this document refer to WIA Title I-B.

Complaints Related to WIA Title I-B and its Regulations and Policies

Who May File

Participants and other interested parties affected by the workforce investment system established under WIA, including one-stop partners and service providers, may file a complaint alleging a non-criminal violation of local or state WIA program policies and regulations. A complaint may be amended prior to a scheduled hearing or withdrawn at any time. To the extent practical, information that could lead to the identification of the person filing the complaint must be kept confidential. The identity of any person who furnishes information relating to, or assisting in, an investigation shall be kept confidential to the extent possible. No entity receiving financial assistance under the WIA may discharge, intimidate, retaliate, threaten, coerce, or discriminate against any person because such person has filed a complaint, opposed a prohibited practice, furnished information, assisted or participated in any manner in an investigation or hearing.

Time Frames for Filing and Hearing Complaints

A complaint must be filed with DET within 1 year from the date of the event or condition that is alleged to be a violation of WIA.

Contents of a Complaint:

A complaint must be filed in writing at the local/state level and include the following information:

- Name and address of the complainant;
- Name and address of the DET office, individual, grantee, or service provider that committed the alleged violation;

- A detailed description of the alleged violation; and
- Any other pertinent information available which will assist in the investigation and resolution of the complaint.
- The first page of the WIA COMPLAINT FORM should be provided to the complainant to help guide this process.

Remedies

Remedies that may be imposed include:

- Suspension or termination of payments under Title I;
- Prohibition of placement of a participant with an employer that has violated any requirement under this title;
- Where applicable, reinstatement of an employee, payment of lost wages and benefits, and reestablishment of other relevant terms, conditions, and privileges of employment; and
- Where appropriate, other equitable relief.

Procedures to be Followed

Local Level

- Written complaints will be taken by DET at the local level from the complainant or the complainant's designated representative. The first page of the WIA COMPLAINT FORM should be filled out by the complainant.
- If the complaint alleges a violation of any statute, regulation, policy, or program that is not governed by WIA, the complaint will be referred to the appropriate organization for resolution. Notice of a referral will be sent to the complainant.
- If the complaint is retained, a complaint file should be established that contains:
 - The complaint statement;
 - Chronological log of events;
 - Relevant correspondence; and
 - A record of the resolution attempted.
- An attempt should be made to informally resolve the complaint to the satisfaction of all parties. (The top half of the second page of the WIA COMPLAINT FORM should be filled out by the WIA Program Manager)
- This informal resolution process will be completed within 60 days from the date the complaint was filed.
- If all parties are satisfied, the complaint is considered resolved and the terms and conditions of the resolution must be documented in the complaint file. (The bottom half of the second page of the WIA COMPLAINT FORM should be filled out by the WIA Program Manager and signed by the complainant)

State Level

- If the complainant is not satisfied with the outcome of the local level review, an appeal may be made to the WIA hearing officer in Montpelier within 10 days:

DET WIA Hearing Officer
Commissioner's Office
P.O. Box 488
Montpelier, VT 05601-0488

- Within 20 days of receipt of the appeal, the WIA hearing officer will schedule a hearing.

1. Hearing

- The hearing officer will schedule a hearing by written notice, mailed to all interested parties at least 10 days prior to the hearing.
- The notice will include the date, time, and place of the hearing.
- Parties may present witnesses and documentary evidence, and question others who present evidence and witnesses.
- Parties may be represented by an attorney or another designated representative, and may request that records and documents related to the complaint be produced.
- The hearing officer's recommended resolution will include a summary of evidence given during the hearing and the findings and conclusions upon which the recommendation is based.
- A final decision will be issued within 120 days from the date the complaint was filed with DET.

2. Appeal

- Any party dissatisfied with the final decision or any party who has not received a decision or final resolution within 120 days from the date the complaint was filed may file an appeal to the Secretary of Labor.
- An appeal must be filed within 60 days from the date of the final decision or, within 60 days of the 120 day local/state time frame if no decision was made. The appeal must be sent by certified mail to:

Secretary
U.S. Department of Labor
Washington, D.C. 20210
Attention: ASET

- A copy of the appeal must be simultaneously provided to the Department of Labor's Regional Administrator in Boston.

Regional Administrator
DOL/ETA
John F. Kennedy Federal Building – Room E-350
Boston, MA 02203

Review of Time Frames

| | |
|---|---|
| From the date of the event or alleged activity a complaint must be filed | Within 1 year |
| The attempt to resolve the complaint at the local level must be completed | Within 60 days |
| The appeal, if necessary, must be filed by the complainant to the WIA hearing officer | Within 10 days |
| Upon receiving the complainant's appeal the hearing officer must schedule a hearing | Within 20 days |
| Notification must be given to the complainant regarding a hearing date and place | Within 10 days from when the hearing officer received the complaint |
| From the time a complaint was filed the final decision must be rendered by the hearing officer | Within 120 days |
| From the date of the final decision by the hearing officer or if no decision has been rendered within 120 days of the complaint, the Complainant may file an appeal to the Secretary of Labor | Within 60 days |

12/3/02

Revised 11/03/04

Revised 3/30/05